



---

# Section 8 Administrative Plan

---

Schenectady Municipal Housing Authority



**Revised: 04/01/2023**

375 BROADWAY  
SCHENECTADY, NEW YORK 12305

## Section 8 Administrative Plan Table of Contents

1. Equal Opportunity	
a) Fair Housing .....	1
b) Reasonable Accommodation .....	1
c) Communication.....	2
d) Questions to Ask in Granting the Accommodation .....	2
e) Services for Non-English-Speaking Applicants and Participants .....	4
f) Family/Owner Outreach .....	4
g) Right to Privacy .....	5
h) Required Postings .....	5
2. Obligations and Responsibilities of the Schenectady Municipal Housing Authority, Section 8 Owner/Landlord and Families	
a) Schenectady Municipal Housing Authority Responsibilities .....	5
b) Owner Responsibilities .....	6
c) Obligations of the Participant .....	7
3. Eligibility for Admission	
a) Introduction .....	9
b) Eligibility Criteria .....	10
4. Managing the Waiting List	
a) Opening and Closing the Waiting List.....	13
b) Taking Applications .....	14
c) Organization of the Waiting List .....	16
d) Families Nearing the Top of the Waiting List.....	16
e) Missed Appointments .....	16
f) Purging the Waiting List.....	16
g) Removal of Applicants from the Waiting List .....	17
h) Grounds for Denial.....	17
i) Notification of Negative Actions .....	18
j) Informal Review .....	19
5. Selecting Families from the Waiting List	
a) Waiting List Admissions and Special Admissions.....	19
b) Preferences .....	20
c) Selection from the Waiting List.....	20
6. Assignment of Bedroom Sizes	
a) Subsidy Standards .....	21

b) Briefing.....	23
c) Packet.....	23
d) Issuance of Voucher; Request for Tenancy Approval .....	25
e) Term of the Voucher .....	25
f) Approval to Lease a Unit.....	26
g) Schenectady Municipal Housing Authority Disapproval of Owner .....	27
h) Ineligible/Eligible Housing.....	28
i) Security Deposit .....	28
7. Moves With Continued Assistance	
a) Family Move Restrictions.....	29
b) When a Family May Move .....	29
c) Procedures Regarding Family Moves.....	29
8. Portability	
a) General Policies of Schenectady Municipal Housing Authority.....	30
b) Income Eligibility.....	31
c) Portability: Administration by Receiving Housing Authority.....	31
d) Portability Procedures .....	32
9. Determination of Family Income	
a) Income, Exclusions from Income, Deductions from Income .....	34
b) Income .....	34
c) Exclusions from Income .....	36
d) Deductions from Annual Income .....	39
10. Verification	
a) Introduction .....	40
b) Acceptable Methods of Verification .....	41
c) Types of Verification .....	43
d) Verification of Citizenship or Eligible Noncitizen Status.....	45
e) Verification of Social Security Numbers .....	46
f) Timing of Verification.....	47
g) Frequency of Obtaining Verification.....	48
11. Rent and Housing Assistance Payment	
a) General.....	49
b) Rent Reasonableness .....	49
c) Comparability.....	49
d) Maximum Subsidy.....	50
e) Setting the Payment Standard.....	50

f) Selecting the Correct Payment Standard for a Family.....	51
g) Area Exception Rents .....	52
h) Assistance and Rent Formulas .....	52
i) Utility Allowance .....	56
j) Distribution of Housing Assistance Payment.....	57
k) Change of Ownership.....	57
12. Inspection Policies, Housing Quality Standards and Damage Claims	
a) Inspection Policies.....	58
b) Types of Inspections .....	59
c) Owner and family Responsibility .....	59
d) Housing Quality Standards (HQS) .....	60
e) Time Frames and Corrections of HQS Fails.....	68
f) Emergency Fail Items .....	70
g) Abatement .....	70
13. Owner Claims for Damages, Unpaid Rent, Vacancy Loss and Participant Responsibilities	
a) Damage Claims.....	70
b) Owner Claims for Pre-October 2, 1995 Units .....	71
c) Participant Responsibilities.....	72
14. Recertification	
a) Annual Reexamination.....	72
b) Effective Date of Rent Change for Annual Reexamination.....	73
c) No Response from Family .....	73
d) Interim Reexaminations.....	73
e) Special Examinations .....	76
f) Effective Date of Rent Changes Due to Reexaminations.....	76
15. Termination of Assistance to the Family by SMHA.....	77
16. Complaints, Informal Reviews for Applicants, Informal Hearings for Participants	
a) Complaints .....	78
b) Informal Review for the Applicant.....	78
c) Informal Hearings for Participants.....	80
17. Termination of the Lease and Contract .....	85
18. Charges Against the Section 8 Administrative Fee Reserve .....	88
19. Intellectual Property Rights .....	88

20. Transition to the New Housing Choice Voucher Program	
a) New HAP Contracts.....	88
b) Over-FMR Tenancy.....	88
c) Voucher Tenancy .....	89
d) Regular Certificate Tenancy.....	89
21. Homeownership Program	
a) Purpose .....	89
b) Family Participation Requirements.....	90
c) Family Eligibility Requirements.....	90
d) Eligible Units.....	92
e) Searching for a New Home .....	92
f) Homeownership Counseling .....	93
g) Home Inspections .....	94
h) Contract of Sale.....	95
i) Requirements for Continuing Assistance.....	95
j) Maximum Term of Homeownership Assistance.....	97
k) Amount and Distribution of Homeownership Assistance .....	98
l) Homeownership Portability.....	99
m) Moving With Continued Assistance.....	100
n) Denial or termination of Assistance for Families.....	101
o) Recapture of Homeownership Assistance .....	101
22. Section 8 Anti-Fraud Policy .....	101
23. Support for our Armed Forces .....	102
24. Violence Against Women Policy	
a) Purpose .....	103
b) Definitions.....	103
c) Certification and Confidentiality.....	104
d) Basis for Denial of Admissions, Assistance or Tenancy .....	105
e) Actions Against a Perpetrator.....	106
f) Notice to Applicants, Participants, Tenants & Section 8 Landlords .....	107
g) Preferences .....	107
h) Reporting Requirements.....	107
i) Conflict and Scope .....	107
j) Amendment .....	107
k) Legislative and Regulatory Authority.....	108

25. Project Based Voucher Program	
a) Introduction .....	108
b) Part I: General Requirements .....	109
c) Part II: PBV Owner Proposals .....	110
d) Part III: Dwelling Units .....	124
e) Part IV: Rehabilitated and Newly Constructed Units.....	126
f) Part V: Housing Assistance Payments Contract (HAP).....	129
g) Part VI: Selection of PBV Program Participants .....	133
h) Part VII: Occupancy .....	140
i) Part VIII: Determining Rent to Owner.....	146
j) Part IX: Payments to Owner.....	150
26. Section 8 Moderate Rehabilitation Single Room Occupancy Programs	
a) Program Overview .....	152
b) Background .....	153
c) Applicability.....	154
d) Applicant Outreach .....	154
e) Applicant Process.....	154
f) Eligible Applicants .....	155
g) Ineligible Applicants .....	156
h) Applicant Briefing.....	157
i) Participant Responsibility .....	157
j) Tenancy .....	157
k) Determination of Income .....	159
l) Verification Methods .....	159
m) Reexamination .....	159
n) Maintenance .....	160
o) Inspection.....	160
p) Units Not Decent, Safe and Sanitary.....	161
q) Termination of Assistance .....	161
r) Temporary Relocation .....	162
s) Violence Against Women Act .....	162
t) Compliance Monitoring .....	162
27. Glossary.....	163
28. Acronyms .....	176

## **1) EQUAL OPPORTUNITY**

### **a) FAIR HOUSING**

- i) It is the policy of the Schenectady Municipal Housing Authority 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.
- ii) No person shall, on the ground of race, color, sex, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the Schenectady Municipal Housing Authority housing programs.
- iii) To further its commitment to full compliance with applicable Civil Rights laws, the Schenectady Municipal Housing Authority will provide 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 made available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at the Schenectady Municipal Housing Authority office. In addition, all written information and advertisements will contain the appropriate Equal Opportunity language and logo.
- iv) The Schenectady Municipal Housing Authority will assist any family that believes they have suffered illegal discrimination by providing them with copies of the housing discrimination form. The Schenectady Municipal Housing Authority 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.

### **b) REASONABLE ACCOMMODATION**

- i) Sometimes people with disabilities may need a reasonable accommodation in order to take full advantage of the Schenectady Municipal Housing Authority 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 fully 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 Schenectady Municipal Housing Authority will follow in determining whether it is reasonable to provide a requested accommodation. Because disabilities are not always apparent, the Schenectady Municipal Housing Authority will ensure that all applicants/participants are aware of the opportunity to request reasonable accommodations.

c) COMMUNICATION

- i) The Schenectady Municipal Housing Authority does not demand that a Reasonable Accommodation request be made in a particular manner. A request may be made by a family member or someone acting on a person's behalf and a request can be made orally. However, the Housing Authority does have a Reasonable Accommodation Form available which is conducive to the exchange of information necessary to determine if a Reasonable Accommodation request is necessary; the form is available upon request. The Housing Authority may require additional information beyond the request itself in order to make such a determination.
- ii) Anyone requesting an application will also receive a Request for Reasonable Accommodation Form.
- iii) Notifications of reexamination, inspection, appointment, or eviction will include information about requesting a reasonable accommodation. Any notification requesting action by the participant will include information about requesting a reasonable accommodation.
- iv) All decisions granting or denying requests will be in writing.

d) QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION

- i) 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:
  - (1) 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).
  - (2) 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 Schenectady Municipal Housing Authority will obtain verification that the person is a person with a disability.
- ii) 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 Schenectady Municipal Housing Authority will obtain documentation that the requested accommodation is needed due to the disability. The Schenectady Municipal Housing Authority will not inquire as to the nature of the disability.



- iii) Is the requested accommodation reasonable? In order to be determined reasonable, the accommodation must meet this criteria:
  - (1) Would the accommodation constitute a fundamental alteration? The Schenectady Municipal Housing Authority's business is housing. If the request would alter the fundamental business that the Schenectady Municipal Housing Authority conducts, that would not be reasonable. For instance, the Schenectady Municipal Housing Authority would deny a request to have the Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority may request a meeting with the individual to investigate and consider equally effective alternatives.
- iv) Generally the individual knows best what they need; however, the Schenectady Municipal Housing Authority retains the right to be shown how the requested accommodation enables the individual to access or use the Schenectady Municipal Housing Authority's programs or services.
- v) If more than one accommodation is equally effective in providing access to the Schenectady Municipal Housing Authority's programs and services, the Schenectady Municipal Housing Authority retains the right to select the most efficient or economic choice.
- vi) The cost necessary to carry out approved requests will be borne by the Schenectady Municipal Housing Authority if there is no one else willing to pay for the modifications. If another party pays for the modification, the Schenectady Municipal Housing Authority will seek to have the same entity pay for any restoration costs.
- vii) 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.
- viii) Any request for an accommodation that would enable a participant to materially violate family obligations will not be approved.

e) SERVICES FOR NON-ENGLISH SPEAKING APPLICANTS AND PARTICIPANTS

- i) The Schenectady Municipal Housing Authority will endeavor to have bilingual staff or access to people who speak languages other than English to assist non-English speaking families.
- ii) The Schenectady Municipal Housing Authority will provide language services according to its Language Access Plan.

f) FAMILY/OWNER OUTREACH

- i) The Schenectady Municipal Housing Authority 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.
- ii) To reach persons, who cannot or do not read newspapers, the Schenectady Municipal Housing Authority will distribute fact sheets to the broadcasting media and initiate personal contacts with members of the news media and community service personnel. The Schenectady Municipal Housing Authority will also try to utilize public service announcements.
- iii) The Schenectady Municipal Housing Authority 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.
- iv) The Schenectady Municipal Housing Authority will hold briefings for owners who participate in or who are seeking information about the Section 8 Program. The briefings will be conducted in association with various other agencies in the City of Schenectady who share the need to reach out to property owners. Currently, those agencies include the City of Schenectady's Code Enforcement Office, the Community Land Trust of Schenectady, Better Neighborhoods Incorporated, Schenectady County Department of Social Services, and the Schenectady Community Action Program. The briefing is intended to:
  - (1) Explain how the program works;
  - (2) Explain how the program benefits owners;
  - (3) Explain owners' responsibilities under the program. Emphasis is placed on quality screening and ways the Schenectady Municipal Housing Authority helps owners do better screening; and
  - (4) Provide an opportunity for owners to ask questions, obtain written materials, and meet Schenectady Municipal Housing Authority staff.

- v) The Schenectady Municipal Housing Authority 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.

g) RIGHT TO PRIVACY

- i) 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*.
- ii) 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.

h) REQUIRED POSTINGS

- i) The Schenectady Municipal Housing Authority 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:
  - (1) The Section 8 Administrative Plan;
  - (2) Notice of the status of the waiting list (opened or closed);
  - (3) Address of all Schenectady Municipal Housing Authority offices, office hours, telephone numbers, TTY numbers, and hours of operation;
  - (4) Income Limits for Admission;
    - (a) Informal Review and Informal Hearing Procedures;
    - (b) Fair Housing Poster;
    - (c) Equal Opportunity in Employment Poster.

**2) OBLIGATIONS & RESPONSIBILITIES OF THE SCHENECTADY MUNICIPAL HOUSING AUTHORITY, SECTION 8 OWNER/LANDLORD, AND PARTICIPATING FAMILIES**

a) SCHENECTADY MUNICIPAL HOUSING AUTHORITY RESPONSIBILITIES

- i) The Schenectady Municipal Housing Authority will comply with the consolidated ACC, the application, HUD regulations and other requirements, and the Schenectady Municipal Housing Authority Section 8 Administrative Plan.
- ii) In administering the program, the Schenectady Municipal Housing Authority 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 disabled persons 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 Schenectady Municipal Housing Authority utility allowance;
- (17) Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action as determined by the Schenectady Municipal Housing Authority, 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 Schenectady Municipal Housing Authority decisions concerning applicants for participation in the program;
- (20) Conduct informal hearings on certain Schenectady Municipal Housing Authority decisions concerning participant families;
- (21) Provide sound financial management of the program, including engaging an independent public accountant to conduct audits; and
- (22) Administer an FSS program.

b) OWNER RESPONSIBILITIES

- i) The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease.
- ii) 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 Schenectady Municipal Housing Authority 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.)
  - (8) Being present for the entire duration of any Housing Quality Standard (HQS) inspections performed by the Schenectady Municipal Housing Authority.
- iii) For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities see 24 CFR 100.203.

c) OBLIGATIONS OF THE PARTICIPANT

- i) This Section states the obligations of a participant family under the program.
  - (1) Supplying required information.
    - (a) The family must supply any information that the Schenectady Municipal Housing Authority 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.
    - (b) The family must supply any information requested by the Schenectady Municipal Housing Authority or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
    - (c) The family must disclose and verify Social Security Numbers and must sign and submit consent forms for obtaining information.
    - (d) Any information supplied by the family must be true and complete.
  - (2) HQS breach caused by the Family: The family is responsible for any HQS breach caused by the family or its guests.
  - (3) Allowing Schenectady Municipal Housing Authority Inspection: The family must allow the Schenectady Municipal Housing Authority to inspect the unit at reasonable times and after at least 2 days' notice.

- (4) Violation of Lease: The family may not commit any serious or repeated violation of the lease.
- (5) Family Notice of Move or Lease Termination: The family must notify the Schenectady Municipal Housing Authority and the owner at least 30 days before the family moves out of the unit or terminates the lease by a notice to the owner.
- (6) Owner Eviction Notice: The family must promptly give the Schenectady Municipal Housing Authority a copy of any owner eviction notice it receives.
- (7) Use and Occupancy of the Unit
  - (a) The family must use the assisted unit for a residence by the family. The unit must be the family's only residence.
  - (b) The Schenectady Municipal Housing Authority must approve the composition of the assisted family residing in the unit. The family must promptly inform the Schenectady Municipal Housing Authority of the birth, adoption or court-awarded custody of a child. The family must request approval from the Schenectady Municipal Housing Authority 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).
  - (c) The family must promptly notify the Schenectady Municipal Housing Authority if any family member no longer resides in the unit.
  - (d) If the Schenectady Municipal Housing Authority has given approval, a foster child/foster adult or a live-in aide may reside in the unit. The Schenectady Municipal Housing Authority has the discretion to adopt reasonable policies concerning residence by a foster child/foster adult or a live-in aide and defining when the Schenectady Municipal Housing Authority consent may be given or denied.
  - (e) 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.
  - (f) The family must not sublease or let the unit.
  - (g) The family must not assign the lease or transfer the unit.
- (8) Absence from the Unit
  - (a) The family must supply any information or certification requested by the Schenectady Municipal Housing Authority to verify that the family is living in the unit, or relating to family absence from the unit, including any Schenectady Municipal Housing Authority requested information or certification on the purposes of family absences. The family must cooperate with the Schenectady Municipal Housing Authority for this purpose. The

family must promptly notify the Schenectady Municipal Housing Authority of its absence from the unit.

- (b) 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 Schenectady Municipal Housing Authority for absences exceeding 30 days. The Schenectady Municipal Housing Authority 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.
- (c) Authorized absences may include, but are not limited to:
  - (i) Prolonged hospitalization;
  - (ii) Absences beyond the control of the family (i.e., death in the family, other family member illness);
  - (iii) Other absences that are deemed necessary by the Schenectady Municipal Housing Authority.
- (9) 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).
- (10) 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 programs.
- (11) Crime by Family Members: The members of the household may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety, or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.
- (12) Alcohol abuse by household members: The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.
- (13) 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) ELIGIBILITY FOR ADMISSION**

#### **a) INTRODUCTION**

- i) There are five eligibility 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. In addition to the eligibility criteria, families must also

meet the Schenectady Municipal Housing Authority screening criteria in order to be admitted to the Section 8 Program.

b) ELIGIBILITY CRITERIA

- i) 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.
  - (1) 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 single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

ii) Income Eligibility:



- (1) To be eligible to receive assistance a family shall, at the time the family initially receives assistance under the Section 8 program shall be a low-income family that is:
  - (a) A very low-income family;
  - (b) A low-income family continuously assisted under the 1937 Housing Act;
  - (c) A low-income family that meets additional eligibility criteria specified by the Housing Authority;
  - (d) A low-income family that is a non-purchasing tenant in a HOPE 1 or HOPE 2 project or a property subject to a resident home ownership program under 24 CFR 248.173;
  - (e) A low-income family or moderate-income family that is displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing;
  - (f) A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a HOPE 1 (HOPE for public housing home ownership) or HOPE 2 (HOPE for home ownership of multifamily units) project.
- (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 Schenectady Municipal Housing Authority'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 Schenectady Municipal Housing Authority'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 Schenectady Municipal Housing Authority program.
- (6) Income limit restrictions do not apply to families transferring units within the Schenectady Municipal Housing Authority Section 8 Program.

iii) Citizenship/Eligible Immigrant Status

- (1) To be eligible each member of the family must be a citizen, national, or a non-citizen 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)).
- (2) Family eligibility for assistance:

- (a) 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.
- (b) 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 non-citizen rule).
- (c) A family without any eligible members and receiving assistance on June 19, 1995 may be eligible for temporary deferral of termination of assistance.

iv) Social Security Number Documentation

- (1) To be eligible, all family members including children must provide a Social Security Number and valid verification. Refer to Section 10) e., Verification of Social Security Numbers.
- (2) This does not apply to individuals who do not claim to be eligible non-citizens.
- (3) If a family member under 6 years old has not been issued a SSN, the head of household must sign a certification that they have not been issued one. The certification should:
  - (a) State the individual's name;
  - (b) State that the individual has not been assigned a SSN;
  - (c) State that the individual will disclose the SSN if they later get one;
  - (d) Be signed and dated.
- (4) If a child under the age of 6 years was added to an *applicant* household without Social Security number *verification* within the 6-month period prior to the household's date of voucher issuance, the assistance applicant may become a participant, so long as appropriate SSN verification is provided to the Housing Authority within 90 calendar days from the date of admission into the program (the effective date of the Housing Assistance Payment contract).
- (5) When a *participant* adds a new household member who is under the age of 6 and has not been *assigned* a SSN, the participant shall be required to provide the complete and accurate SSN assigned and appropriate SSN verification for each child within 90 calendar days of the child being added to the household.
- (6) If the *participant* adds a new household member who has been *assigned* a SSN (regardless of their age), the participant must provide the complete and accurate SSN and appropriate verification upon request or at the time of processing the certification that includes the new household member.
- (7) The Schenectady Municipal housing Authority shall grant an extension of one additional 90-day period if it, in its discretion, determines that the applicant/participant's failure to comply was due to circumstances that could not have reasonably been foreseen and were outside the control of the applicant/participant. During the period that the Schenectady Municipal Housing Authority is awaiting documentation of a SSN, it shall include the child as part of

the assisted household and the child shall be entitled to all the benefits of being a household member. If, upon expiration of the provided time period, the applicant/participant fails to produce a SSN, the household will face termination.

v) Signing Consent Forms

- (1) In order to be eligible, each member of the family who is at least 18 years old, and each head and spouse regardless of age, shall sign one or more consent forms.
- (2) The consent form must contain, at a minimum, the following:
  - (a) A provision authorizing HUD and the Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority 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.

vi) Suitability for Tenancy

- (1) Screening is the responsibility of the owner. Upon the request of a prospective owner, the Schenectady Municipal Housing Authority may provide any factual information or third party written information they have relevant to a voucher holder's history of, or ability to, comply with material standard lease terms or any history of drug trafficking.
- (2) Section 4.8 Grounds for Denial covers reasons for denial of assistance to the applicant.

#### **4) MANAGING THE WAITING LIST**

a) OPENING AND CLOSING THE WAITING LIST

- i) 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.

- ii) 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.
- iii) 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.
- iv) The Section 8 wait list may be opened in a limited fashion under certain circumstances. If SMHA Public Housing tenants or other Assisted Housing Program Participants are affected by certain demolition and/or disposition activities or become eligible for protection under the Uniform Relocation Act (URA) as a result of applicable construction or redevelopment activities, they may be eligible to apply for Section 8 assistance regardless of whether the Section 8 wait list is closed to the public. In such cases, limited notice will be issued to affected parties only and will provide instructions on how to apply for Section 8 assistance. In the event of a limited wait list opening, SMHA will only accept Section 8 applications from individuals eligible for protection under the URA and for a limited period of time specified in the notice. Applicants applying for Section 8 assistance through a limited opening as outlined above are subject to all other Section 8 eligibility criteria and the issuance of Section 8 vouchers to such applicants is contingent upon funding availability.

b) TAKING APPLICATIONS

- i) Families wishing to apply for the Section 8 Program will be required to complete an application for housing assistance. Applications will be accepted as defined in a public notice as defined in Section 4.1. When the waiting list is opened, applications for Section 8 will be online only during the published hours at [smha1.org](http://smha1.org).
- ii) Applications are taken to compile a waiting list. When the waiting list is open, completed applications will be accepted from all applicants. The Schenectady Municipal Housing Authority will later verify the information in the applications relevant to the applicant's eligibility, admission, and level of benefit. Verification of preference points will be made when an applicant nears the top of the waiting list.
- iii) The completed application will be dated and time stamped upon its electronic submission to the Schenectady Municipal Housing Authority.

- iv) Persons with disabilities who require a reasonable accommodation in completing an application may call the Schenectady Municipal Housing Authority to make special arrangements to complete their application. Although an accommodation may be made, the application will be time stamped when it is completed and received by the SMHA.
- v) For example: A person with a disability who is unable to complete the electronic application independently may seek assistance from SMHA staff in completing the online application using an SMHA computer.
- vi) A Telecommunications Relay Service is available at (800) 676-4290.
- vii) The application process will involve two phases. The first phase is the initial online application for housing assistance or the pre-application. SMHA only accepts an electronic pre-application submitted online through the [www.smha1.org](http://www.smha1.org) website while the waiting list is open. The pre-application requires the applicant to provide limited 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 first phase results in the family's placement on the waiting list.
- viii) Upon receipt of the applicant's pre-application, the Schenectady Municipal Housing Authority will make a preliminary determination of eligibility. If the Schenectady Municipal Housing Authority determines the applicant to be ineligible, the applicant will be notified in writing. The notice will state the reasons and offer the applicant the opportunity of an informal review of this determination.
- ix) An applicant may at any time report changes in their applicant status including changes in family composition, income, or preference factors by completing a Section 8 application update form in the lobby of the SMHA administrative offices. Changes made to an applicant's application may not be made over the phone. The Schenectady Municipal Housing Authority will annotate the applicant's file and will update their place on the waiting list.
- x) 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 Schenectady Municipal Housing Authority 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. The family must be eligible for preference points claimed on their

application at the time a Housing Assistance Payment contract is executed by the SMHA on behalf of the family. If preferences claimed on the pre-application cannot be verified, the preference will be removed and the applicant will be returned to their proper place on the waiting list.

c) ORGANIZATION OF THE WAITING LIST

- i) The waiting list will be maintained in accordance with the following guidelines:
  - (1) The application will be a permanent file;
  - (2) All applications will be maintained electronically in order of preference and then in order of date and time of application;
  - (3) Any contact between the Schenectady Municipal Housing Authority and the applicant will be documented in the applicant file.

d) FAMILIES NEARING THE TOP OF THE WAITING LIST

- i) When a family appears to be within 2 months of being offered assistance, the family will be invited to an interview and the verification process will begin. The family's waiting list preference will be verified to insure they are still eligible to receive the preference points. 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.
- ii) Once the preference has been verified the family will complete a full application, present Social Security Number information, citizenship/eligible immigrant information, and sign the Consent for Release of Information forms.

e) MISSED APPOINTMENTS

- i) All applicants who fail to keep a scheduled appointment in accordance with the paragraph below will be sent a notice of denial.
- ii) The Schenectady Municipal Housing Authority will allow the family to reschedule appointments for good cause. Examples of good cause include but are not limited to, hospitalizations, death of a family member, jury duty, family emergencies etc. The SMHA maintains the right to require documentation for verification purposes of missed appointments. When a good cause exists, the Schenectady Municipal Housing Authority 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.

f) PURGING THE WAITING LIST

- i) The Schenectady Municipal Housing Authority will update and purge its waiting list when necessary to ensure that the pool of applicants reasonably represents interested families. Purging also enables the Housing Authority to update the

information regarding address, family composition, income category and preferences.

- ii) The purge will be done by mail. If we do not receive a reply from the applicant within (14) fourteen days from the date on the purge letter, we shall assume that the applicant is no longer interested in obtaining assisted housing under the Section 8 program, and will remove the applicant from the waiting list (postmark on envelope will determine the date received). This requirement can be waived if:
  - (1) The applicant certifies that an emergency or other critical situation beyond the applicants control caused a delay in returning the purge letter. An extension period of fourteen (14) days will be allowed for this purpose.
  - (2) The applicant provides proof that a hospital stay caused a delay in returning the purge letter. An extension period of thirty (30) days will be allowed for this purpose.

g) REMOVAL OF APPLICANTS FROM THE WAITING LIST

- i) The Schenectady Municipal Housing Authority will not remove an applicant's name from the waiting list unless:
  - (1) The applicant requests that the name be removed;
  - (2) The applicant fails to respond to a written request for information or a request to declare their continued interest in the program or misses scheduled appointments;\_(no follow up letters will be sent to applicants in this category if the letters are returned by the Post Office as non-deliverable due to tenant moving), or
  - (3) The applicant does not meet either the eligibility or screening criteria for the program.

h) GROUNDS FOR DENIAL

- i) The Schenectady Municipal Housing Authority will deny assistance to applicants who:
  - (1) Do not meet any one or more of the eligibility criteria;
  - (2) Do not supply information or documentation required by the application process;
  - (3) Fail to respond to a written request for information or a request to declare their continued interest in the program;
  - (4) Fail to complete any aspect of the application or lease-up process;
  - (5) Currently owes rent or other amounts to any housing authority in connection with the public housing or Section 8 Programs.
  - (6) Have committed (within five (5) years from the date of admission to the program) 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;
- (7) Have a family member who was evicted from public housing within the last three (3) years;
  - (8) Have a family member who was evicted from federally assisted housing within three (3) 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;
  - (9) Have a family member who is currently engaged in the illegal use of a drug 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 Schenectady Municipal Housing Authority may waive this requirement if:
    - (a) The person demonstrates to the Schenectady Municipal Housing Authority's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
    - (b) The person has successfully completed a supervised drug or alcohol rehabilitation program;
    - (c) The person has otherwise been rehabilitated successfully; or
    - (d) The person is participating in a supervised drug or alcohol rehabilitation program.
  - (10) Have engaged in or threatened abusive or violent behavior towards any Schenectady Municipal Housing staff or residents;
  - (11) Have a family household member who has been terminated under the Voucher Program within three (3) from the date of admission to the program;
  - (12) Have a family member who has ever been convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing (Denied for life);
  - (13) Have a family member with a lifetime registration under a State sex offender registration program (Denied for life).

i) NOTIFICATION OF NEGATIVE ACTIONS

- i) Any applicant whose name is being removed from the waiting list will be notified by the Schenectady Municipal Housing Authority, 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 time frame specified. The Schenectady Municipal Housing Authority'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 Schenectady Municipal Housing



Authority will provide a reasonable accommodation. If the applicant indicates that they did not respond due to a disability, the Schenectady Municipal Housing Authority 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.

j) **INFORMAL REVIEW**

- i) If the Schenectady Municipal Housing Authority determines that an applicant does not meet the criteria for receiving Section 8 assistance, the Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority will describe how to obtain the informal review. The informal review process is described in Section 16.2 of this Plan. The SMHA will not send written notifications to applicants being removed from the waiting list who have had prior letters returned to the SMHA by the United States Post Office due to the family no longer residing at the address.

**5) SELECTING FAMILIES FROM THE WAITING LIST**

a) **WAITING LIST ADMISSIONS AND SPECIAL ADMISSIONS**

- i) The Housing Authority may admit an applicant for participation in the program either as a special admission or as a waiting list admission.
- ii) If HUD awards funding that is targeted for families with specific characteristics or families living in specific units, the Schenectady Municipal Housing Authority will use the assistance for those families.
- iii) The Schenectady Municipal Housing Authority has been awarded a Continuum of Care grant within the Schenectady County Continuum of Care in order to administer the Shelter Plus Care Program. The SMHA partners with the Schenectady Community Action Program and various supportive service agencies in order to deliver both the housing and the care components of the program to eligible participants. In order to qualify for rental assistance under the Shelter Plus Care Program, applicants must meet HUD's definition of "Homeless" and "Disabled". Once accepted onto the Shelter Plus Care Program, participants are deemed Section 8 Housing Choice Voucher applicants regardless of whether the Section 8 waiting is open or closed at that time. Shelter Plus Care Policy enables participants to graduate from the program at the discretion of the Shelter Plus Care committee. Such graduates who are otherwise deemed eligible for the Section 8 Housing Choice

Voucher Program will be placed at the top of the Section 8 waiting list and issued a voucher. All other eligibility criteria and Section 8 administrative policies will apply.

- iv) Applicants afforded the opportunity to apply for Section 8 assistance as a result of being protected under the Uniform Relocation Act (URA) or other demolition/disposition activities will be granted an absolute preference over all other existing Section 8 applicants including Shelter Plus Care graduates and may be given a right of first occupancy at any new PBV construction project which replaced affordable housing that previously existed at the site from which they were relocated.

b) PREFERENCES

- i) The Schenectady Municipal Housing Authority Section 8 program will select families based on the following preferences. All applicants who are single head of households who are not elderly or disabled will be placed at the bottom of the waiting list and will receive a voucher after the elderly/disabled and multiple member households have received vouchers.
  - (1) Applicants have a preference according to where they reside as follows:
    - (a) First Priority: Applicants living within the Section 8 jurisdiction (City of Schenectady);
    - (b) Second Priority: Applicants living outside the City of Schenectady, but in the New York State County of Schenectady;
    - (c) Third Priority: Applicants living anywhere other than the City of Schenectady or County of Schenectady.
  - (2) Job Market Participant: The term Job Market Participant applies only to the person listed on the application as the Head of Household (HOH). To qualify, the HOH must fall into at least one of the following categories:
    - (a) HOH now employed more than 15 hours/week;
    - (b) HOH was recently employed, but is now receiving unemployment insurance;
    - (c) HOH is unable to work due to a disability, and is collecting SSI or SSD;
    - (d) HOH is 62 years of age or older.
  - (3) Victims of Domestic Violence: HOH is currently experiencing Domestic Violence (must meet HUD verification requirements).
  - (4) Military Veterans: HOH is a Veteran who has been Honorably Discharged from the United States Navy, Marines, Air Force, Army, Coast Guard or National Guard.
  - (5) Singles Preference: HOH is not a single non elderly/disabled family.

c) SELECTION FROM THE WAITING LIST

- i) The preference for where families reside will be issued as follows: two (2) preference points for First Priority status, one (1) preference point for Second Priority status, and zero (0) preference points for Third Priority status.
- ii) All families receiving the Job Market Participant preference will receive one (1) preference point for meeting at least one of the listed categories.
- iii) All families in the categories of Domestic Violence, Military Veterans and Singles Preference, will receive (1) preference point for meeting the listed criteria.
- iv) Families will be sequenced and selected from the waiting list according to the number of preference points they have. Applicants with more preference points will be selected before applicants with less preference points. The date and time of application will be utilized to determine the sequence within the above-prescribed preferences.
- v) Notwithstanding the above, if necessary to meet the statutory requirement that 75% of newly admitted families in any fiscal year be families who are extremely low-income, the Schenectady Municipal Housing Authority 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.
- vi) 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.
- vii) Section 8 applicants placed on the wait list as a result of graduating from the Shelter Plus Care program or Uniform Relocation Act (URA) protections will be granted absolute preference over all other Section 8 applicants regardless of the categorical preferences outlined above. URA protected applicants will be placed on the wait list based on the date and time that they expressed interest in the Section 8 program and will be considered before any Shelter Plus Care graduates.

## **6) ASSIGNMENT OF BEDROOM SIZES (SUBSIDY STANDARDS)**

### **a) SUBSIDY STANDARDS**

- i) The Schenectady Municipal Housing Authority will issue a voucher for a particular bedroom size – the bedroom size is a factor in determining the family's level of assistance. The following guidelines will determine each family's unit size without overcrowding or over-housing:

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8

- ii) These standards are based on the assumption that each bedroom will accommodate no more than two (2) persons. Two adults will share a bedroom unless related by blood.
- iii) In determining bedroom size, the Schenectady Municipal Housing Authority will include the presence of children to be born to a pregnant woman, children who are in the process of being adopted, children whose custody is being obtained, children who are temporarily away at school or temporarily in foster-care.
- iv) Bedroom size will also be determined using the following guidelines:
  - (1) Children of the same sex will share a bedroom.
  - (2) Children of the opposite sex, both under the age of five (5) will share a bedroom.
  - (3) Foster-adults and children will not be required to share a bedroom with family members.
  - (4) Live-in aides will get a separate bedroom.
- v) The Schenectady Municipal Housing Authority will grant exceptions to normal occupancy standards when a family requests a larger size than the guidelines allow and (1) documents a medical reason why the larger size is necessary, and (2) owns and operates a family day care in the apartment unit being subsidized under the Section 8 Program, and documentation is received that a larger unit size than the guidelines allow is necessary to conduct business. In the event the family day care business fails, the tenant may retain the higher exception subsidy for the unit for no more than 180 days from the date of business shutdown. If the business is reestablished in this time period, the family may continue to occupy the unit under the higher exception subsidy standard. If the business is not reestablished after the 180 day period, the family will again be subsidized at the appropriate level for the family size.
- vi) The family unit size will be determined by the Schenectady Municipal Housing Authority 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.

b) BRIEFING

- i) When the Schenectady Municipal Housing Authority 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.
- ii) 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.
- iii) The briefing will cover at least the following subjects:
  - (1) A description of how the program works;
  - (2) Family and owner responsibilities;
  - (3) Where the family may rent a unit, including inside and outside the Housing Authority's jurisdiction;
  - (4) Types of eligible housing;
  - (5) For families qualified to lease a unit outside the Housing Authority's jurisdiction under portability, an explanation of how portability works;
  - (6) An explanation of the advantages of living in an area that does not have a high concentration of poor families; and
  - (7) An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income.

c) PACKET

- i) During the briefing, the Housing Authority will give the family a packet covering at least the following subjects:
  - (1) 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;

- (2) How the Housing Authority determines the housing assistance payment and total tenant payment for the family;
- (3) Information on the payment standard, exception payment standard rent areas, and the utility allowance schedule;
- (4) How the Housing Authority determines the maximum rent for an assisted unit;
- (5) Where the family may lease a unit. For families qualified to lease outside the Housing Authority's jurisdiction, the packet includes an explanation of how portability works;
- (6) The HUD-required tenancy addendum that provides the language that must be included in any assisted lease, and a sample contract;
- (7) The request for approval of the tenancy form and an explanation of how to request Housing Authority approval of a unit;
- (8) 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. Upon request, the Housing Authority will also supply any factual information or third party verification relating to the applicant's history as a tenant or their ability to comply with material standard lease terms or any history of drug trafficking, drug-related criminal activity or any violent criminal activity;
- (9) The Housing Authority's subsidy standards, including when the Housing Authority will consider granting exceptions to the standards;
- (10) The HUD brochure on how to select a unit ("A Good Place to Live");
- (11) The HUD-required lead-based paint brochure;
- (12) 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;
- (13) A list of landlords or other parties known to the Schenectady Municipal Housing Authority who may be willing to lease a unit to the family or help the family find a unit;
- (14) Notice that if the family includes a person with disabilities, the family may request a current list of accessible units known to the Schenectady Municipal Housing Authority that may be available;
- (15) The family's obligations under the program;
- (16) The grounds upon which the Housing Authority may terminate assistance because of the family's action or inaction;
- (17) Schenectady Municipal Housing Authority 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

d) ISSUANCE OF VOUCHER; REQUEST FOR APPROVAL OF TENANCY

- i) Beginning August 12, 1999, the Schenectady Municipal Housing Authority will issue only vouchers. Treatment of previously issued certificates and vouchers will be dealt with as outlined in Section 21.0 Transition to the New Housing Choice Voucher Program.
- ii) Once all family information has been verified, their eligibility determined, their subsidy calculated, and they have attended the family briefing, the Schenectady Municipal Housing Authority will issue the voucher. At this point the family begins their search for a unit.
- iii) 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 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 no more than twenty (20) days after the receipt of inspection request from the family and owner. The 20 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.
- iv) 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.
- v) Screening is the responsibility of the owner. Upon request by a prospective owner, the Housing Authority will provide any factual information or third party written information they have relevant to a voucher holder's history of, or ability to, comply with standard material lease terms.

e) TERM OF THE VOUCHER

- i) The initial term of the voucher will be 60 days and will be stated on the Housing Choice Voucher.
- ii) The Housing Authority may grant one or more extensions of the term. To obtain an extension, the family must make a request in writing prior to the expiration date. A

statement of the efforts the family has made to find a unit must accompany the request. A sample extension request form and a form for recording their search efforts will be included in the family's briefing packet. If the family can provide documentation of a diligent search and additional time can reasonably be expected to result in success, the Housing Authority may grant an additional extension of the term up to 30 days. If the family includes a person with disabilities and the family requires an extension due to the disability, extension will be handled per 982.303(b)(2).

- iii) Vouchers issued to applicants or participants who wish to port-out to another jurisdiction will be extended at the discretion of the receiving PHA. Applicants or participants who port-in to the city of Schenectady will automatically be issued a voucher that expires no less than 30-days from the initial PHA's voucher expiration date.
  - iv) The Schenectady Municipal Housing Authority will suspend the initial or any extended term of the voucher from the date that the family submits a Request for Tenancy Approval until the date the PHA notifies the family in writing whether the request has been approved or denied.
  - v) A voucher in effect may be temporarily rescinded in the event that there is insufficient funding to enter a HAP contract on behalf of the voucher recipient.
- f) APPROVAL TO LEASE A UNIT
- i) The Schenectady Municipal Housing Authority will approve a lease if all of the following conditions are met:
    - (1) The unit is eligible;
    - (2) The unit is inspected by the Housing Authority and passes HQS;
    - (3) The lease is approvable and includes the language of the tenancy addendum;
    - (4) The rent to owner is reasonable;
    - (5) The family's share of rent does not exceed 40% of their monthly adjusted income;
    - (6) 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
    - (7) The family continues to meet all eligibility and screening criteria.
  - ii) 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.
  - iii) The lease term may begin only after all of the following conditions are met:



- (1) The unit passes the Housing Authority HQS inspection;
  - (2) The family's share of rent does not exceed 40% of their monthly adjusted income;
  - (3) The landlord and tenant sign the lease to include the HUD required addendum; and
  - (4) The Housing Authority approves the leasing of the unit.
- iv) 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.
- v) In no case will the contract be executed later than 60 days after the beginning of the lease term.
- vi) Any contract executed after the 60-day period will be void and the Housing Authority will not pay housing assistance to the owner.
- g) SCHENECTADY MUNICIPAL HOUSING AUTHORITY DISAPPROVAL OF OWNER
  - i) The Housing Authority will deny participation by an owner at the direction of HUD. The Housing Authority may also deny the owner's participation for any of the following reasons:
    - (1) The owner has violated any obligations under a Section 8 Housing Assistance Payments Contract;
    - (2) The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
    - (3) The owner has engaged in drug-related criminal activity or any violent criminal activity;
    - (4) 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;
    - (5) The owner has a history or practice of renting units that fail to meet State or local codes;
    - (6) The owner has not paid State or local real estate taxes, fines, or assessments.
    - (7) 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:

- (a) premises by tenants, Schenectady Municipal Housing Authority employees or owner employees; or
- (b) residences by neighbors;
- (8) Other conflicts of interest under Federal, State, or local law.

h) INELIGIBLE/ELIGIBLE HOUSING

- i) The following types of housing cannot be assisted under the Section 8 Tenant-Based Program:
  - (1) public housing or Indian housing unit;
  - (2) A unit receiving project-based assistance under a Section 8 Program;
  - (3) Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
  - (4) College or other school dormitories;
  - (5) Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
  - (6) 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
  - (7) 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.
- ii) The Schenectady Municipal Housing Authority will not approve a lease for any of the following special housing types, except as a reasonable accommodation for a family with disabilities:
  - (1) Congregate housing;
  - (2) Group homes;
  - (3) Shared housing;
  - (4) Cooperative housing;
  - (5) Single room occupancy housing.
- iii) The Schenectady Municipal Housing Authority will approve leases for the following housing types:
  - (1) Single family dwellings;
  - (2) Apartments.

i) SECURITY DEPOSIT

- i) 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.

- ii) 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.
- iii) 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.
- iv) 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) MOVES WITH CONTINUED ASSISTANCE**

### **a) FAMILY MOVE RESTRICTIONS**

- i) It is the policy of the SMHA to prohibit any move by the family during the initial lease term. It is also the policy of the SMHA to prohibit more than one move by the family during any one year period. After the initial 12 month lease, if proper notification procedures are followed, the family has not violated a Family Obligation, has not moved within the last 12 months, has not been issued a voucher in the last 12-months, and if the Schenectady Municipal Housing Authority has sufficient funding for continued assistance, the family will be issued a voucher to begin the family move process.

### **b) WHEN A FAMILY MAY MOVE**

- i) Participant families may move if:
  - (1) The assisted lease for the old unit has terminated and proper notification has been given to the landlord;
  - (2) The tenant or landlord has given notice of lease termination after the initial year;
  - (3) The SMHA cancels the Housing Assistance Payment Contract due to failure to maintain Housing Quality Standards;
  - (4) To comply with the Violence Against Women Act.

### **c) PROCEDURES REGARDING FAMILY MOVES**

- i) All families who are moving, including any families moving into or out of the Schenectady Municipal Housing Authority's jurisdiction, will be briefed as follows:
  - (1) A refresher on program requirements and the family's responsibilities. Emphasis will be on giving proper notice and meeting all lease requirements such as leaving the unit in good condition;
  - (2) Information about finding suitable housing and the advantages of moving to an area that does not have a high concentration of poor families;
  - (3) Payment standards, exception payment standard rent areas, if any exist, and the

- utility allowance schedule;
  - (4) An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income;
  - (5) Portability requirements and opportunities;
  - (6) The need to have a reexamination conducted within 120 days prior to the move;
  - (7) An explanation and copies of the forms required to initiate and complete the move; and
  - (8) All forms and brochures provided to applicants at the initial briefing.
- ii) 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 and maintain their subsidy. If the family moves from the unit before the initial term of the lease ends, it will be considered a serious lease violation and subject the family to termination from the program.
  - iii) The family is required to give the Schenectady Municipal 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 Schenectady Municipal Housing Authority will be considered a violation of Family Obligations and may cause the family to be terminated from the program. Lease termination notice must be received by the Schenectady Municipal Housing Authority on or before the 26<sup>th</sup> day of the month, in order for the termination to be effective on the last day of the following month.
  - iv) 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 Schenectady Municipal Housing Authority, 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.
  - v) Failure to follow the above procedures may subject the family to termination from the program.

## **8) PORTABILITY**

- a) GENERAL POLICIES OF THE SCHENECTADY MUNICIPAL HOUSING AUTHORITY
  - i) A family whose head or spouse has a domicile (legal residence) in the jurisdiction of the Schenectady Municipal Housing Authority at the time the family first submits its

application for participation in the program to the Schenectady Municipal Housing Authority may lease a unit anywhere in the jurisdiction of the Schenectady Municipal Housing Authority or outside the Schenectady Municipal Housing Authority jurisdiction as long as there is another entity operating a tenant-based Section 8 program covering the location of the proposed unit.

- ii) If the head or spouse of the applicant family does not have a legal residence in the jurisdiction of the Schenectady Municipal Housing Authority at the time of its application, the family will not have any right to lease a unit outside of the Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority. The legal residence of an applicant family must be verified before a portability request can be approved. Acceptable verification may include but is not limited to a valid lease, a current utility bill, a notarized statement from the dead holder of record or an SMHA inspection.
- iii) 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 Schenectady Municipal Housing Authority allow a participant to improperly break a lease. Under extraordinary circumstances the Schenectady Municipal Housing Authority may consider allowing more than one move in a 12-month period.
- iv) Families may only move to a jurisdiction where a Section 8 Program is being administered.
- v) If a family has moved out of their assisted unit in violation of the lease, the Schenectady Municipal Housing Authority will not issue a voucher, and will terminate assistance in compliance with Section 17.0, Grounds for Termination of the Lease and Contract.

**b) INCOME ELIGIBILITY**

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

**c) PORTABILITY: ADMINISTRATION BY RECEIVING HOUSING AUTHORITY**

- i) 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.

- ii) 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.

d) PORTABILITY PROCEDURES

- i) When the Schenectady Municipal Housing Authority is the Initial Housing Authority:
  - (1) The Schenectady Municipal Housing Authority will brief the family on the process that must take place to exercise portability.
  - (2) The Schenectady Municipal Housing Authority will determine whether the family is income-eligible in the area where the family wants to lease a unit (if applicable).
  - (3) The Schenectady Municipal Housing Authority will advise the family how to contact and request assistance from the Receiving Housing Authority.
  - (4) The Schenectady Municipal Housing Authority will contact the receiving PHA prior to sending the 52665 to confirm whether they are billing or absorbing - the receiving PHA must respond to such an inquiry in writing.
  - (5) The Schenectady Municipal Housing Authority will, within ten (10) calendar days, notify the Receiving Housing Authority to expect the family.
  - (6) The Schenectady Municipal Housing Authority will immediately mail to the Receiving Housing Authority the most recent HUD Form 50058 (Family Report) for the family, and related income information via confirmed delivery method such as fax or email.
- ii) When the Schenectady Municipal Housing Authority is the Receiving Housing Authority:
  - (1) When the portable family requests assistance from the Schenectady Municipal Housing Authority, the Schenectady Municipal Housing Authority will within ten (10) calendar days inform the Initial Housing Authority whether it will bill the Initial Housing Authority for assistance on behalf of the portable family, or absorb the family into its own program. When the Schenectady Municipal Housing Authority receives a portable family, the family will be absorbed if funds are available and a voucher will be issued.
  - (2) The Schenectady Municipal Housing Authority will issue a voucher to the family. The term of the Schenectady Municipal Housing Authority's voucher will expire no less than 30-days after the Initial Housing Authority's voucher. Thereafter the Schenectady Municipal Housing Authority will determine whether to extend the voucher term. The family must submit a request for tenancy approval to the

Schenectady Municipal Housing Authority during the term of the Schenectady Municipal Housing Authority's voucher.

- (3) The Schenectady Municipal Housing Authority will determine the family unit size for the portable family. The family unit size is determined in accordance with the Schenectady Municipal Housing Authority's subsidy standards.
- (4) The Schenectady Municipal Housing Authority 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.
- (5) If the Schenectady Municipal Housing Authority opts to conduct a new reexamination, the Schenectady Municipal Housing Authority will not delay issuing the family a voucher or otherwise delay approval of a unit unless the re-certification is necessary to determine income eligibility.
- (6) In order to provide tenant-based assistance for portable families, the Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority may make a determination to deny or terminate assistance to the family in accordance with 24 CFR 982.552.

iii) Absorption by the Schenectady Municipal Housing Authority

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

iv) 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 Schenectady Municipal Housing Authority 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 the lesser-of 80% of the Initial Housing Authority's on-going

administrative fee or 100% of the Receiving Housing Authority's 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.

v) When a Portable Family Moves

- (1) 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.
- (2) When a portable family moves out of the tenant-based program of a Receiving Housing Authority to a jurisdiction other than the Originating Housing Authority, the Receiving Housing Authority must refer tenant back to the Originating HA.

**9) DETERMINATION OF FAMILY INCOME**

a) INCOME, EXCLUSIONS FROM INCOME, DEDUCTIONS FROM INCOME

- i) To determine annual income, the Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority subtracts out all allowable deductions (allowances) as the next step in determining the Total Tenant Payment.

b) INCOME

- i) 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.
- ii) 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.
  - (2) The net income from the operation of a business or profession. Expenditures for business expansion or 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 the operation of a business or profession is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.

- (3) 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.
- (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) A family's monthly contribution to rent will not be decreased where a decrease in income is the result of noncompliance with the conditions of public assistance, or where public assistance is decreased due to an act of

fraud by a member of a covered family.

- (c) Neither a reduction of public assistance due to the expiration of a time limit for a family, nor inability to obtain a job after complying with welfare to work requirements, is considered noncompliance with the conditions of public assistance.
- (d) These requirements will not apply until the Schenectady Municipal Housing Authority receives written notice from the relevant welfare or public assistance agency specifying that a family's benefits have been reduced because of noncompliance with economic self-sufficiency program or work activities requirements, or fraud, and the level of the reductions.
- (e) Families in the Tenant Based program will have the right to review, if any determinations, through the informal review procedures.
- (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.)

c) EXCLUSIONS FROM INCOME

- i) Annual income does not include the following:
  - (1) Income from employment of children (including foster children) under the age of 18 years;
  - (2) 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);
  - (3) 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) Amounts received by the family that is specifically for, or in reimbursement of, the cost of medical expenses for any family member;
  - (5) Income of a live-in aide;
  - (6) Any student financial assistance received for tuition or mandatory fees/charges as defined by the Department of Education. The Department of Education defines tuition as the amount of money charged to students for instructional services which may be charged per term, per course, or per credit. The Department of Education further defines tuition and fees as the amount of tuition and required fees covering a full academic year most frequently charged to students. These values represent 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 fulltime credit hour load for an entire 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. The student who does not pay the charges is an exception. Examples of required fees 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 of these expenses 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;

- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8) The amounts received from the following programs:
  - (a) Amounts received under training programs funded by HUD;
  - (b) 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);
  - (c) 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;
  - (d) 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;
  - (e) 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;
  - (f) Temporary, nonrecurring, or sporadic income (including gifts);
  - (g) 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;
  - (h) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);

- (i) Adoption assistance payments in excess of \$480 per adopted child;
- (j) Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
- (k) 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;
- (l) 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
- (m) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits. These exclusions include:
  - (i) The value of the allotment of food stamps;
  - (ii) Payments to volunteers under the Domestic Volunteer Services Act of 1973;
  - (iii) Payments received under the Alaska Native Claims Settlement Act;
  - (iv) Income from sub marginal land of the U.S. that is held in trust for certain Indian tribes;
  - (v) Payments made under HHS's Low-Income Energy Assistance Program;
  - (vi) Payments received under the Job Training Partnership Act;
  - (vii) Income from the disposition of funds of the Grand River Band of Ottawa Indians;
  - (viii) The first \$2000 per capita received from judgment funds awarded for certain Indian claims;
  - (ix) Amount of scholarships awarded under Title IV including Work-Study;
  - (x) Payments received under the Older Americans Act of 1965;
  - (xi) Payments from Agent Orange Settlement;
  - (xii) Payments received under the Maine Indian Claims Act;
  - (xiii) The value of child care under the Child Care and Development Block Grant Act of 1990;
  - (xiv) Earned income tax credit refund payments;
  - (xv) Payments for living expenses under the AmeriCorps Program.
- (n) Increased Income specifically excluded for a qualified family as a self-sufficiency incentive for persons with disabilities (Earned Income Disregard). A qualified family is an assisted family who meets one of the following criteria:
  - (i) Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
  - (ii) Whose annual income increases as a result of increased earnings by a

- family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- (iii) Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance—provided that the total amount over a six-month period is at least \$500.
  - (iv) “Initial 12-month exclusion.” During the 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the Schenectady Municipal Housing Authority will exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.
  - (v) “Second 12-month exclusion and phase-in.” Upon the expiration of the “initial 12-month exclusion” period defined above and for the subsequent 12-month period, the Schenectady Municipal Housing Authority will exclude from annual income of a qualified family at least 50 percent of any increase in income of such family member as a result of employment over the family member's baseline income (the annual income immediately prior to implementation of the disallowance).
  - (vi) The disallowance of increased income of an individual family of this section is limited to a lifetime 24-month period.
  - (vii) The disallowance of increases in income as a result of employment of persons with disabilities under this section does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

d) DEDUCTIONS FROM ANNUAL INCOME

- i) The following deductions will be made from annual income:
  - (1) \$480 for each dependent;
  - (2) \$400 for any elderly family or disabled family;
  - (3) 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.

(4) For any elderly or disabled family:

- (a) That has no disability assistance expenses, an allowance for medical expenses equal to the amount by which the medical expenses exceed 3% of annual income;
- (b) That has disability expenses greater than or equal to 3% of annual income, an allowance for disability assistance expenses computed in accordance with paragraph C, plus an allowance for medical expenses that equal the family's medical expenses;
- (c) That has disability assistance expenses that are less than 3% of annual income, an allowance for combined disability assistance expenses and medical expenses that is equal to the total of these expenses less 3% of annual income.

(5) Child care expenses:

- (a) Per federal regulation, child care expenses may be deducted from annual income as follows: 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 child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.
- (b) To determine "reasonable charges," the Schenectady Municipal Housing Authority shall conduct a survey of child care market rates on an annual basis. These rates will be averaged to determine reasonable rates to compare with those rates submitted by federally subsidized housing program participants for the purpose of deductions from annual income.

## **10) VERIFICATION**

### **a) INTRODUCTION**

- i) The Schenectady Municipal Housing Authority 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.

b) ACCEPTABLE METHODS OF VERIFICATION

- i) Age, relationship, U.S. citizenship, and Social Security Numbers will generally be verified with documentation provided by the family. For citizens, the family's certification will be accepted. For non-citizens documentation such as listed below under 10.3 – Verification of Citizenship or Eligible Noncitizen INS status, 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.
- ii) Other information will be verified by the following verification methods acceptable to HUD, in order of preference indicated:
  - (1) Up-front Income Verification (UIV) (Level 6 of 5):
    - (a) 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. Current UIV resources include the following:
      - (i) Tenant Assessment Subsystem (TASS) – HUD's online system for Social Security and Supplemental Security Income (SSI) information;
      - (ii) State Wage Information Collection Agencies (SWICA's);
      - (iii) State systems for the Temporary Assistance for Needy Families (TANF) program;
      - (iv) Credit Bureau Information (CBA) credit reports;
      - (v) Internal Revenue Service (IRS) Letter 1722;
      - (vi) Private sector database (e.g. The Work Number).
    - (b) The Schenectady Municipal Housing Authority will use additional UIV resources as they become available. This will be done before, during and/or after examinations and/or re-examinations of household income and composition as appropriate.
    - (c) It is important to note that UIV data will only be used to verify a participant's eligibility for participation in a rental assistance program and to determine the level of assistance the participant is entitled to receive and only by properly trained persons whose duties require access to this information. Any other use, unless approved by the HUD Headquarters UIV System Administrator, is specifically prohibited and will not occur.
    - (d) No adverse action can be taken against a participant until the Schenectady Municipal Housing Authority has independently verified the UIV information and the participant has been granted an opportunity to contest any adverse findings through the established grievance procedure. The consequences of

adverse findings may include the SMHA requiring the immediate payment of any over-subsidy, criminal prosecution, or any other appropriate remedy.

- (e) Furthermore, the information the SMHA derives from the UIV system will be protected to ensure that it is utilized solely for official purposes and not disclosed in any way that would violate the privacy of the affected individuals.
  - (f) Once the data has served its purpose, it shall be destroyed by either burning or shredding the data.
- (2) Written Third Party Verification (Level 4):
- (a) 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.
  - (b) 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.
- (3) Written Third Party Verification Form (Level 3):
- (a) This method is also Known as traditional third party verification. A standardized form used to collect third party source. The form is completed by the third party by hand (in writing or typeset). The form is sent directly to the third party source by mail, fax, or email. The SMHA will rely on written third party information which originates from the third party source's computerized system and/or database to reduce the likelihood of incorrect or falsified information being provided.
  - (b) The SMHA will allow two (2) weeks for the return of third party written verification prior to continuing on the next type of verification.
- (4) Third Party Oral Verification (Level 2):
- (a) Independent verification of information by contacting the individual income/expense source(s), as identified through the UIV technique or identified by the family. This type of verification includes direct contact with the source, in person or by telephone. When this method is used, staff members will be required to document in writing the person contacted and the telephone number, the date of the conversation and the facts obtained.
  - (b) The SMHA will allow three (3) business days for the documentation of third party oral verification prior to continuing on to the next type of verification.
  - (c) Non-Third Party Verification Technique.
- (5) Tenant Declaration (Level 1):
- (a) When UIV, written and oral third party verifications are not available within



the two (2) week and (3) business days period allowed in paragraphs 2 and 3 above, and hand-carried verification cannot be obtained, the SMHA will accept a statement detailing information needed, signed by the head, spouse, co-head, or other adult family member. Such documents will be maintained in the file. This method will be used as a last resort and documentation will be included in the file as to why third party verification was not available.

c) TYPES OF VERIFICATION

- i) 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 Schenectady Municipal Housing Authority 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 <sup>rd</sup> party verification	Hand-carried verification
<b>General Eligibility Items</b>		
Social Security Number	Refer to Section 10) e., Verification of Social Security Numbers.	Refer to Section 10) e., Verification of Social Security Numbers.
Citizenship	N/A	Signed certification, voter's registration card, birth certificate, etc.
Eligible immigration status	INS SAVE confirmation #	INS card
Disability	Letter 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	Letter from care provider	Bills and receipts
Disability assistance expenses	Letters from suppliers, care givers, etc.	Bills and records of payment

Verification Requirements for Individual Items		
Item to Be Verified	3 <sup>rd</sup> party verification	Hand-carried verification
Medical expenses	Letters 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
<b>Value of and Income from Assets</b>		
Savings, checking accounts	Letter from institution	Passbook, most current statements
CDs, bonds, etc.	Letter from institution	Tax return, information brochure from institution, the CD, the bond
Stocks	Letter from broker or holding company	Stock or most current statement, price in newspaper or through Internet
Real property	Letter 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	Letter 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
<b>Income</b>		
Earned income	Letter from employer	Multiple pay stubs
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

Verification Requirements for Individual Items		
Item to Be Verified	3 <sup>rd</sup> party verification	Hand-carried verification
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"> <li>- whether enrolled</li> <li>- whether training is HUD-funded</li> <li>- whether State or local program</li> <li>- whether it is employment training</li> <li>- whether payments are for out- of-pocket expenses incurred in order to participate in a program</li> </ul>	N/A

d) VERIFICATION OF CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS

- i) The citizenship/ eligible noncitizen status of each family member regardless of age must be determined.
- ii) 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 Social Security card, birth certificate, military ID or military DD 214 Form.)
- iii) 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.
- iv) 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 Schenectady Municipal Housing Authority will make a copy of the individual's INS documentation and place the copy in the file. The Schenectady Municipal Housing Authority also will verify their status through the INS SAVE system. If the INS SAVE system cannot confirm eligibility, the Schenectady Municipal Housing Authority will mail information to the INS so a manual check can be made of INS records.

- v) 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.
  - vi) Noncitizen students on student visas, though in the country legally, are not eligible to be admitted to the Section 8 Program.
  - vii) Any family member who does not choose to declare their status must be listed on the statement of non-eligible members.
  - viii) If no family member is determined to be eligible under this Section, the family's admission will be denied.
  - ix) 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.
  - x) If the Schenectady Municipal Housing Authority 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.
- e) VERIFICATION OF SOCIAL SECURITY NUMBERS
- i) Prior to admission, each family member who has a Social Security Number and who is at least six years of age must provide verification of his or her Social Security Number. New family members at least six years of age must provide this verification prior to being added to the lease.
  - ii) If a child under the age of 6 years was added to an *applicant* household without Social Security number *verification* within the 6-month period prior to the household's date of voucher issuance, the assistance applicant may become a participant, so long as appropriate SSN verification is provided to the Housing Authority within 90 calendar days from the date of admission into the program (the effective date of the Housing Assistance Payment contract).
  - iii) When a *participant* adds a new household member who is under the age of 6 and has not been *assigned* a SSN, the participant shall be required to provide the complete and accurate SSN assigned and appropriate SSN verification for each child within 90 calendar days of the child being added to the household.

- iv) If the *participant* adds a new household member who has been *assigned* a SSN (regardless of their age), the participant must provide the complete and accurate SSN and appropriate verification upon request or at the time of processing the certification that includes the new household member.
- v) The Schenectady Municipal housing Authority shall grant an extension of one additional 90-day period if it, in its discretion, determines that the applicant/participant's failure to comply was due to circumstances that could not have reasonably been foreseen and were outside the control of the applicant/participant. During the period that the Schenectady Municipal Housing Authority is awaiting documentation of a SSN, it shall include the child as part of the assisted household and the child shall be entitled to all the benefits of being a household member. If, upon expiration of the provided time period, the applicant/participant fails to produce a SSN, the household will face termination.
- vi) The best verification of the Social Security Number is the original Social Security card. If the card is not available, the Schenectady Municipal Housing Authority will accept letters from Social Security that establish and state the number. Documentation from other governmental agencies will also be accepted that establish and state the number. Driver's license, military ID, passports, or other official documents that establish and state the number are also acceptable.
- vii) If family member under 6 has not been assigned a Social Security Number the head of household will be required to sign a certification to this effect. The Schenectady Municipal Housing Authority will not require any individual who does not have a Social Security Number to obtain a Social Security Number if they are an ineligible non-citizen who does not claim to be eligible.
- viii) 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.
- ix) If the individual fails to provide the verification within the time allowed, the family will be denied assistance or will have their assistance terminated.
- f) TIMING OF VERIFICATION
  - i) Verification must be dated within 90 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.
  - ii) When an interim reexamination is conducted, the Housing Authority will verify and

update only those elements reported to have changed.

g) FREQUENCY OF OBTAINING VERIFICATION

- i) 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.
- ii) For each family member, verification of Social Security Number will be obtained only once. This verification will be accomplished prior to admission. When a family member who did not have a Social Security Number at admission receives a Social Security Number, that number will be verified at the next regular reexamination. Likewise, when a child turns six, their verification will be obtained at the next regular reexamination.
- iii) If a child under the age of 6 years was added to an *applicant* household without Social Security number *verification* within the 6-month period prior to the household's date of voucher issuance, the assistance applicant may become a participant, so long as appropriate SSN verification is provided to the Housing Authority within 90 calendar days from the date of admission into the program (the effective date of the Housing Assistance Payment contract).
- iv) When a *participant* adds a new household member who is under the age of 6 and has not been *assigned* a SSN, the participant shall be required to provide the complete and accurate SSN assigned and appropriate SSN verification for each child within 90 calendar days of the child being added to the household.
- v) If the *participant* adds a new household member who has been *assigned* a SSN (regardless of their age), the participant must provide the complete and accurate SSN and appropriate verification upon request or at the time of processing the certification that includes the new household member.
- vi) The Schenectady Municipal housing Authority shall grant an extension of one additional 90-day period if it, in its discretion, determines that the applicant/participant's failure to comply was due to circumstances that could not have reasonably been foreseen and were outside the control of the applicant/participant. During the period that the Schenectady Municipal Housing Authority is awaiting documentation of a SSN, it shall include the child as part of the assisted household and the child shall be entitled to all the benefits of being a household member. If, upon expiration of the provided time period, the

applicant/participant fails to produce a SSN, the household will face termination.

#### **11) RENT AND HOUSING ASSISTANCE PAYMENT**

##### **a) GENERAL**

- i) After October 01, 1999, the Schenectady Municipal Housing Authority 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 21.0 for additional guidance).

##### **b) RENT REASONABLENESS**

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

##### **c) COMPARABILITY**

- i) 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.
- ii) 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.
- iii) The Housing Authority will establish minimum base rent amounts for each unit type and bedroom size. To the base the Housing Authority will be able to add or subtract the dollar value for each characteristic and amenity of a proposed unit.
- iv) 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.
- v) 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.

d) MAXIMUM SUBSIDY

- i) The Fair Market Rent (FMR) published by HUD or the exception payment standard rent (requested by the Schenectady Municipal Housing Authority and approved by HUD) determines the maximum subsidy for a family.
- ii) 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.
- iii) For the Voucher Program, the maximum payment standard will be 110% of the FMR or the exception payment standard approved by HUD. The Schenectady Municipal Housing Authority may approve a payment standard up to 120% of FMR as a Reasonable Accommodation for a disabled person in order to provide them with equal access to the program. Payment standards in excess of 120% of FMR require HUD approval.
- iv) 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.
- v) For manufactured home space rental, the maximum subsidy under any form of assistance is the Fair Market Rent for the space as outlined in 24 CFR 982.888.

e) SETTING THE PAYMENT STANDARD

- i) HUD requires that the payment standard be set by the Housing Authority at between 90 and 110% of the FMR. The Housing Authority may approve a payment standard up to 120% of FMR as a Reasonable Accommodation for a disabled person in order to provide them with equal access to the program. Payment standards in excess of 120% of FMR require HUD approval. Schenectady Municipal Housing Authority will review its determination of the payment standard annually after publication of the FMRs. The Schenectady Municipal Housing Authority 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.

- ii) Payment standards will not be raised solely to allow the renting of luxury quality units.
- iii) 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 Schenectady Municipal Housing Authority may consider adjusting payment standards at times other than the annual review when circumstances warrant.
- iv) 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.
- v) If a payment standard greater than 120% of FMR is needed as a reasonable accommodation, the SMHA shall submit the following to HUD:
  - (1) A statement from a health care provider regarding the nature of the disabled person's disability/ies and the features of the unit (which may include its location) which meet that person's needs.
  - (2) The contract rent and utility allowance for the unit.
  - (3) A statement from the agency that it has determined the rent for the unit is reasonable, and that the unit has feature/s required to meet the needs of the person with disabilities as noted in the statement from the health care provider.
  - (4) The household's monthly adjusted income.
  - (5) The FMR for the unit size for which the family is eligible.
  - (6) Proposed effective date of the new lease or actual effective date of the lease renewal.
- f) **SELECTING THE CORRECT PAYMENT STANDARD FOR A FAMILY**
  - i) 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.
  - ii) 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.

- iii) 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.
    - iv) 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.
    - v) 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.
  - g) AREA EXCEPTION RENTS
    - i) 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.
    - ii) 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.
  - h) ASSISTANCE AND RENT FORMULAS
    - i) 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
      - (5) Plus any rent above the payment standard.
    - ii) Minimum Rent: The Schenectady Municipal Housing Authority has set the minimum

rent as \$25. However, if the family requests a hardship exemption, the Schenectady Municipal Housing Authority 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.

### iii) Section 8 Merged Vouchers

(1) The payment standard is set by the Housing Authority between 90% and 110% of the FMR. The Housing Authority may approve a payment standard up to 120% of FMR as a Reasonable Accommodation for a disabled person in order to provide them with equal access to the program. Payment standards in excess of 120% of FMR require 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.
- (3) No participant when initially receiving tenant-based assistance on a unit shall pay more than 40% of their monthly-adjusted income.

iv) 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 Schenectady Municipal Housing Authority 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 (3)(a) of this section does not apply; and
  - (ii) The new family unit size must be used to determine the payment standard.
- (2) The Schenectady Municipal Housing Authority 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.

v) Manufactured Home Space Rental: Section 8 Vouchers

- (1) The payment standard for a participant renting a manufactured home space is the published FMR for rental of a manufactured home space.
- (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.
- vi) Rent for Families under the Noncitizen Rule
- (1) A mixed family will receive full continuation of assistance if all of the following conditions are met:
    - (a) The family was receiving assistance on June 19, 1995;
    - (b) The family was granted continuation of assistance before November 29, 1996;
    - (c) The family's head or spouse has eligible immigration status; and
    - (d) 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.
  - (2) 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 Schenectady Municipal Housing Authority will grant each family a period of 6 months to find suitable affordable housing. If the family cannot find suitable affordable housing, the Schenectady Municipal Housing Authority will provide additional search periods up to the maximum time allowable.
  - (3) 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%.
  - (4) The family's assistance is prorated in the following manner:
    - (a) 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.
    - (b) Obtain the prorated family share by subtracting the prorated HAP from the gross rent (contract rent plus utility allowance).
    - (c) The prorated tenant rent equals the prorated family share minus the full

utility allowance.

i) UTILITY ALLOWANCE

- i) 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).
- ii) 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.
- iii) 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.
- iv) The Housing Authority limits the utility allowance payment for tenant-based vouchers to the family unit size for which the voucher is issued, irrespective of the size of the unit rented by the family, with an exemption for families with a person with disabilities.
- v) At each reexamination, the Housing Authority applies the utility allowance from the most current utility allowance schedule.
- vi) The utility allowance for a family shall be the lower of: (1) The utility allowance amount for the family unit size; or (2) the utility allowance amount for the unit size of the unit rented by the family. However, upon the request of a family that includes a person with disabilities, the Housing Authority must approve a utility allowance higher than the applicable amount if such a higher utility allowance is needed as a reasonable accommodation in accordance with HUD's regulations in 24 CFR part 8 to make the program accessible to and usable by the family member with a disability. This provision applies only to vouchers issued after July 1, 2014, and to current program participants. For current program participants, the Housing Authority must implement the new allowance at the family's next annual reexamination, provided that the Housing Authority is able to provide a family with at least 60 days' notice prior to the reexamination.
- vii) 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.

viii) Where the Utility allowance for a unit exceeds the total tenant payment for the family occupying the unit, the HA will provide a Utility Reimbursement Payment each month directly to the utility supplier to pay the utility bill on behalf of the family. The Housing Authority will send the tenant notification of the amount paid to the utility supplier on their behalf. Whenever there is a change in the amount to be paid to the utility supplier, the tenant will be notified in writing of the new amount. The Housing Authority will only make payments on behalf of subsidized units.

ix) The following process will be implemented when a family qualifies for a Utility Reimbursement Payment:

- (1) The family will provide the Housing Authority with a copy of their most recent utility bill;
- (2) The account number will be entered in the Housing Authority database;
- (3) Utility Reimbursement Payments will be made to the utility supplier using the account number provided by the family;
- (4) It is the family's responsibility to notify the Housing Authority regarding any changes to the utility supplier account.

j) DISTRIBUTION OF HOUSING ASSISTANCE PAYMENT

i) 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 Schenectady Municipal Housing Authority a late payment, agreed to in the Contract and in accordance with generally accepted practices in the Schenectady Municipal jurisdiction.

k) CHANGE OF OWNERSHIP

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

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

- (1) Deed of Trust showing the transfer of title; and
- (2) Tax Identification Number or Social Security Number.

- iii) New owners will be required to execute IRS form W-9. The Schenectady Municipal Housing Authority may withhold the rent payment until the taxpayer identification number is received.

## **12) INSPECTION POLICIES, HOUSING QUALITY STANDARDS, AND DAMAGE CLAIMS**

### **a) INSPECTION POLICIES**

- i) It is required that the owner/landlord or property manager be present for the entire duration of any Housing Quality Standard (HQS) inspections performed by the Schenectady Municipal Housing Authority. The HQS inspector will not enter a building or apartment to inspect if the owner/landlord or property manager is not present. This policy applies to HQS inspections performed for any reason, including tenant caused deficiencies.
- ii) The Schenectady Municipal Housing Authority will inspect all units to ensure that they meet Housing Quality Standards. No unit will be initially placed on the Section 8 Existing Program unless the HQS is met. Units will be inspected at least biennially, and at other times as needed, to determine if the units meet HQS.
- iii) The Schenectady Municipal Housing Authority must be allowed to inspect the dwelling unit at reasonable times with reasonable notice. The family and owner will be notified of the inspection appointment by first class mail, direct telephone contact, and/or other reliable method of communication. It is required that the owner/landlord or property manager be present at the time of the inspection, and for the entire duration of the inspection. If the owner/landlord or property manager cannot be present for the scheduled inspection appointment, the owner must call the HQS inspector to reschedule the inspection.
- iv) If the owner/landlord or property manager misses the scheduled inspection and fails to reschedule the inspection, the Schenectady Municipal Housing Authority will only schedule one more inspection (unless the missed appointment was due to circumstances beyond the control of the owner/landlord or property manager). If the owner/landlord or property manager misses two inspections, the Schenectady Municipal Housing Authority will consider the owner to have violated an Owner Obligation and their assistance and/or HAP contract may be terminated.
- v) In the event a unit is re-inspected and still fails to meet Housing Quality Standards, the Request for Tenancy Approval will be denied. In order to avoid cancelation of the RFTA, the owner may elect to have an additional inspection performed for a fee of \$40. The fee is imposed to cover the administrative costs of performing additional inspection(s).



b) TYPES OF INSPECTIONS

- i) There are seven types of inspections the Schenectady Municipal Housing Authority will perform:
  - (1) Initial Inspection - An inspection that must take place to insure that the unit passes HQS before assistance can begin.
  - (2) Biennial Inspection - An inspection to determine that the unit continues to meet HQS.
  - (3) Complaint Inspection - An inspection caused by the Authority receiving a complaint on the unit by anyone.
  - (4) Special Inspection - An inspection caused by a third party, i.e. HUD, needing to view the unit.
  - (5) Emergency - An inspection that takes place in the event of a perceived emergency. These will take precedence over all other inspections.
  - (6) 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.
  - (7) Quality Control Inspection - Supervisory inspections will be conducted by a supervisor or other qualified person on a sample of units under contract which is no less than the minimum sample size required for Section 8 Management Assessment (SEMAP) compliance. Sample size requirements can be found at 24 CFR Part 985.2. The sample set for Quality Control Inspections will be drawn from inspections conducted during the three (3) months preceding the Quality Control Inspection. A list of all inspections from the 3 month period will be drawn and the sample will be based on the required sample size. For example, if the required sample size is 20 Quality Control Inspections and 60 Inspections were conducted during the 3 months period in question, every 3<sup>rd</sup> inspection will be selected for a Quality Control Inspection. Slight adjustments may be necessary in order to ensure that the sample set represents a balanced cross section of Section 8 inspectors and neighborhoods; such adjustments will remain demonstrably random. Section 8 participants will be provided reasonable advance notice in writing when a supervisory inspection has been scheduled. Quality Control Inspections will aim to ensure that deficiencies cited during the initial inspection were cited appropriately. When deficiencies are identified during Quality Control Inspections, the landlord and tenant will be notified about the necessary repairs and the initial inspector will be advised of results that vary from the initial inspection results.

c) OWNER AND FAMILY RESPONSIBILITY

- i) 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 Schenectady Municipal Housing Authority will take prompt and vigorous action to enforce the owner obligations. The Schenectady Municipal Housing Authority'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 Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority and the Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority may terminate assistance to a family because of the HQS breach caused by the family.

ii) 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 is caused by a person breaking and entering (damaged doors, locks, windows, etc.), tenant must provide a police report of the incident.
- (3) 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 Schenectady Municipal Housing Authority approved extension).
- (4) If the family has caused a breach of the HQS, the Schenectady Municipal Housing Authority will take prompt and vigorous action to enforce the family obligations. The Schenectady Municipal Housing Authority may terminate assistance for the family in accordance with 24 CFR 982.552.

d) HOUSING QUALITY STANDARDS (HQS) 24 CFR 982.401

- i) This Section states performance and acceptability criteria for these key aspects of

the following housing quality standards:

(1) Sanitary Facilities:

(a) Performance Requirements:

- (i) 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.

(b) Acceptability Criteria:

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

(2) Food Preparation and Refuse Disposal

(a) Performance Requirements:

- (i) The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.
- (ii) 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).

(b) Acceptability Criteria:

- (i) 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.
- (ii) 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.
- (iii) The dwelling unit must have space for the storage, preparation, and serving of food.
- (iv) 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).

(3) Space and security

- (a) Performance Requirement:
  - (i) The dwelling unit must provide adequate space and security for the family.
- (b) Acceptability Criteria:
  - (i) At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.
  - (ii) 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.
  - (iii) 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.
  - (iv) The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.
- (4) Thermal Environment
  - (a) Performance Requirement:
    - (i) The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.
  - (b) Acceptability Criteria:
    - (i) 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.
    - (ii) The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.
- (5) Illumination and Electricity
  - (a) Performance Requirement:
    - (i) 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.
  - (ii) Acceptability Criteria:
    - 1. There must be at least one window in the living room and in each sleeping room.
    - 2. 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.

3. 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.

(6) Structure and Materials

(a) Performance Requirement:

- (i) 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.

(b) Acceptability Criteria:

- (i) 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.
- (ii) The roof must be structurally sound and weather tight.
- (iii) 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.
- (iv) 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.
- (v) Elevators must be working and safe.

(7) Interior Air Quality

(a) Performance Requirement:

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

(b) Acceptability Criteria:

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

(8) Water Supply

(a) Performance Requirements:

- (i) The water supply must be free from contamination.

(b) Acceptability Criteria:

- (i) The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.
- (9) Lead-based Paint
- (a) Definitions:
    - (i) 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.
    - (ii) 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, and stair treads in a common stairwell, or an exterior wall.
    - (iii) Defective paint surface: A surface on which the paint is cracking, scaling, chipping, peeling, or loose.
    - (iv) 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.
    - (v) HEPA: A high efficiency particle accumulator as used in lead abatement vacuum cleaners.
    - (vi) 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 ( $\text{mg}/\text{cm}^2$ ), or 0.5 % by weight or 5000 parts per million (PPM).
  - (b) Performance Requirements:
    - (i) 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.
    - (ii) 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.
    - (iii) 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.

- (iv) 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.
- (v) 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.
- (vi) The requirements in this paragraph apply to:
  - 1. All painted interior surfaces within the unit (including ceilings but excluding furniture);
  - 2. The entrance and hallway providing access to a unit in a multi-unit building; and
  - 3. 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).
- (vii) 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.
- (viii) 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.
- (ix) 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:
  - 1. Within the unit;

2. The entrance and hallway providing access to a unit in a multi-unit building; and
  3. Exterior surfaces (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).
- (x) 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.
- (xi) Treatment of defective paint surfaces and chewable surfaces must consist of covering or removal of the paint in accordance with the following requirements:
1. A defective paint surface shall be treated if the total area of defective paint on a component is:
    - a. More than 10 square feet on an exterior wall;
    - b. 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;
    - c. 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.
  2. 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.
  3. 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.
  4. During exterior treatment soil and playground equipment must be protected from contamination.
  5. 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.

6. Waste and debris must be disposed of in accordance with all applicable Federal, State, and local laws.

(xii) 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.

(xiii) 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.

(xiv) 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 determine whether local health officials have tested the unit for lead-based paint. 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 certificate or voucher to move.

(xv) 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.

(xvi) 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).

#### (10) Access

##### (a) Performance Requirements:

(i) 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).

(11) Site and Neighborhood

(a) Performance Requirements:

- (i) 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.

(b) Acceptability Criteria:

- (i) 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.

(12) Sanitary Condition

(a) Performance Requirements:

- (i) The dwelling unit and its equipment must be in sanitary condition.

(b) Acceptability Criteria:

- (i) The dwelling unit and its equipment must be free of vermin and rodent infestation.

(13) Smoke Detectors

(a) Performance Requirements:

- (i) 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).
- (ii) 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).

e) TIME FRAMES AND CORRECTIONS OF HQS FAIL ITEMS

i) Correcting Initial HQS Fail Items

- (1) The Schenectady Municipal Housing Authority will schedule a timely inspection of the unit on the date the owner indicates that the unit will be ready for inspection, or as soon as possible thereafter upon receipt of a Request for Tenancy Approval. The owner and participant will be notified in writing of the results of the inspection. If the unit fails HQS again, the owner and the participant will be advised to notify the Schenectady Municipal Housing Authority to reschedule a re-inspection when the repairs have been properly completed.
- (2) 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.

ii) HQS Fail Items for Units under Contract

- (1) 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 list below), 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).
- (2) If the owner fails to correct the HQS failed items after proper notification has been given, the Schenectady Municipal Housing Authority will abate payment and terminate the contract in accordance with Sections 12.7 and 17.0(B)(3).
- (3) If the participant fails to correct the HQS failed items that are family-caused after proper notification has been given, the Schenectady Municipal Housing Authority will terminate assistance for the family in accordance with Sections 12.2(B) and 17.0(B)(3).

iii) Time Frames for Corrections

- (1) Emergency repair items must be abated within 24 hours.
- (2) Repair of refrigerators, range and oven, a major plumbing fixture supplied by the owner, or any other serious quality of life defect must be abated within no more than 5 days.
- (3) The owner will have up to 30 days to complete all other items.

iv) Extensions

- (1) At the sole discretion of the Schenectady Municipal Housing Authority, extensions 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 by the extension date, the Schenectady Municipal Housing Authority 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.

f) EMERGENCY FAIL ITEMS

- i) The following items are to be considered examples of emergency items that need to be abated within 24 hours:
  - (1) No hot or cold water;
  - (2) No electricity;
  - (3) Inability to maintain adequate heat;
  - (4) Major plumbing leak;
  - (5) Natural gas leak;
  - (6) Electrical outlet smoking or sparking;
  - (7) Exposed electrical wires which could result in shock or fire;
  - (8) Other conditions which pose an immediate threat to health or safety.

g) ABATEMENT

- i) 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 time frame, the rent for the dwelling unit will be abated.
- ii) When the deficiencies are corrected, the Schenectady Municipal Housing Authority will end the abatement the day the unit passes inspection. Rent will resume the following day and be paid the first day of the next month.
- iii) For tenant caused HQS deficiencies, the owner will not be held accountable and the rent will not be abated unless an inspection is unable to be conducted because the owner/landlord or property manager fails to attend the inspection. The tenant is held to the same standard and time frames for correction of deficiencies as owners. If repairs are not completed by the deadline, the Schenectady Municipal Housing Authority 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) OWNER CLAIMS FOR DAMAGES, UNPAID RENT, AND VACANCY LOSS AND PARTICIPANT'S ENSUING RESPONSIBILITIES**

a) DAMAGE CLAIMS

- i) 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 Schenectady Municipal Housing Authority 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.

- ii) Damage claims are limited in the following manner:
  - (1) 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.
  - (2) 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.
  - (3) No damage claims will be paid under either program effective on or after October 2, 1995.

b) OWNER CLAIMS FOR PRE-OCTOBER 2, 1995, UNITS

- i) In accordance with the HAP contract, owners can make special claims for damages, unpaid rent, and vacancy loss (vacancy loss cannot be claimed for vouchers) after the tenant has vacated or a proper eviction proceeding has been conducted.
- ii) 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.
- iii) The Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority to remain eligible for the Section 8 Program.
- iv) Actual bills and receipts for repairs, materials, and labor must support claims for damages. The Schenectady Municipal Housing Authority will develop a list of reasonable costs and charges for items routinely included on damage claims. This list will be used as a guide.
- v) Owners can claim unpaid rent owned by the tenant up to the date of HAP termination.
- vi) 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 Schenectady Municipal Housing Authority 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.

- vii) All claims and supporting documentation under this Section must be submitted to the Schenectady Municipal Housing Authority 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.

c) **PARTICIPANT RESPONSIBILITIES**

- i) If a damage claim or unpaid rent claim has been paid to an owner, the participant is responsible for repaying the amount to the Schenectady Municipal Housing Authority. This shall be done by either paying the full amount due immediately upon the Schenectady Municipal Housing Authority requesting it or through a Repayment Agreement that is approved by the Schenectady Municipal Housing Authority.
- ii) 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) RECERTIFICATION**

a) **ANNUAL REEXAMINATION**

- i) At least annually the Schenectady Municipal Housing Authority 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.
- ii) The Schenectady Municipal Housing Authority will send a notification letter to the family informing them that their annual reexamination is approaching. The letter includes forms for the family to complete and notifies them of the documentation which they must submit to SMHA. 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.
- iii) Families must submit the required forms and documentation to SMHA within the time frame prescribed in the reexamination notice. Forms and documentation can be mailed to the appropriate SMHA Occupancy staff member, placed in a secure drop box in the SMHA office lobby, or transmitted by other secure means. Participant families can complete the reexamination process remotely unless unique circumstances exist that require the family to be present for an in person appointment. SMHA reserves the right to require in-person reexamination

appointments at its discretion. Likewise, any family in need of assistance may request an appointment to complete the reexamination process at the SMHA office.

- iv) 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 that later will be mailed to the sources that will verify the family circumstances. Upon receipt of verification, the Schenectady Municipal Housing Authority will determine the family's annual income and will calculate their family share.

b) EFFECTIVE DATE OF RENT CHANGES FOR ANNUAL REEXAMINATIONS

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

c) NO RESPONSE FROM FAMILY

- i) If the family fails to respond to show up for their scheduled reexamination appointment, a second appointment letter will be mailed. The second letter will advise that failure by the family to respond as indicated will result in the Schenectady Municipal Housing Authority taking action to terminate the family's assistance. The SMHA may require documentation from the family to verify reasons given for any missed appointments regarding the reexamination process.

d) INTERIM REEXAMINATIONS

- i) At any time, SMHA may conduct an interim reexamination of family income and composition. All requests for interim reexaminations of household income and composition must be submitted in writing. A request for a reasonable accommodation may be made by a person with disabilities for an exception to this policy.
- ii) Families are not required to, but may at any time, submit a written request for an

interim reexamination based on a decrease in income, an increase in allowable expenses, or other changes in family circumstances. Upon receipt of such written request, the Schenectady Municipal Housing Authority will take timely action (within 30 days) to process the interim reexamination and recalculate the family share of rent.

iii) The SMHA has adopted the following policies regarding when and under what conditions a family must report a change in family income or composition:

(1) Changes in Household Composition:

(a) The following changes in household composition will trigger an interim reexamination:

(i) A member has been added to the family through birth or adoption or court-awarded custody;

(ii) A household member is leaving or has left the family unit;

(iii) Family break-up.

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

a. To whom the certificate or voucher was issued;

b. The interest of minor children or of ill, elderly, or disabled family members;

c. Whether the assistance should remain with the family members remaining in the unit;

d. 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.

2. 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 Schenectady Municipal Housing Authority will be bound by the court's determination of which family members continue to receive assistance in the program.

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

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

5. Families must receive prior approval from the SMHA before adding



any adult to the household, including a live-in aide. Prior to 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 are citizen or eligible non-citizen (please see Section 3.2, Section 10.4 and Section 10.6 of the HCV Administrative Plan for information about SSN disclosure and verification),, 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. If the individual is eligible to be added to the household, the family will then be required to submit written approval from the landlord to add the individual to the household. 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 Schenectady Municipal Housing Authority will grant approval to add their name to the lease, once the owner has also given consent. 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 that fail to receive prior approval from the SMHA before adding an adult to their household may be terminated from the program.

6. To add a minor (17 or younger) to the household, other than through birth or adoption, the family must receive prior approval from SMHA and the landlord. If receiving prior approval is not possible due to court ordered placement, the family must notify SMHA and the landlord within ten (10) days of the placement. However, when no prior approval is possible, as with a court ordered placement, SMHA will subsequently determine if policy and/or regulation restrictions will allow the family, or family member, to remain in the unit. For example, the apartment size may not properly accommodate another family member, or the new member may not pass regular screening criteria.

(2) Changes in Household Income:

- (a) Families are required to promptly report in writing (within ten (10) days) all increases in income and/or new income sources, both earned and unearned, received by the family between annual reexaminations.
- (b) The following changes in household income will trigger an interim

reexamination:

- (i) A new source of income is attained by a family with zero income at their most recent recertification, which does not qualify as excluded income. Any new source of income will result in a reexamination of household income and recalculation of the family share of rent. Failure to report increases in income within ten (10) days will result in the rent increase being applied retroactively.

e) SPECIAL REEXAMINATIONS

- i) If a family's income is too unstable to project for 12 months, including families that temporarily have no income or an annual income of less than \$2,000, or have a temporary decrease in income, the Schenectady Municipal Housing Authority may schedule special reexaminations every 30 days until the income stabilizes and an annual income can be determined.

f) EFFECTIVE DATE OF RENT CHANGES DUE TO INTERIM OR SPECIAL REEXAMINATIONS

- i) The following policy outlines how the SMHA will determine the effective date of the adjusted Housing Assistance Payment to the landlord, and the adjusted tenant share of rent to the landlord resulting from an interim reexamination of household income or composition. All requests for interim reexaminations must be submitted in writing. A request for a reasonable accommodation for an exception to this policy may be made by a person with a disability.
- ii) Unless there is a delay in reexamination processing caused by the family, any rent increase will be effective the first day of the second month after the month in which the family receives an increase in income or has a change in household composition that results in an increase in household income; 10 days will be added to the date the income was received (received is defined as cash in hand, check cut or direct deposited, benefit effective, etc.) before making a determination on the effective date in order to account for the time that a family has to report the new income. If the family fails to report the increase in income or causes a delay, then 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).
- iii) For actions resulting in rent reductions the following circumstances will determine the effective date:
  - (1) If a notice of decrease in income or change in household composition is properly received (see above) on or before the 15<sup>th</sup> day of any month, and an interim reexamination results in a reduction of the tenant share of rent payment to the landlord, the adjusted rent amount will be effective the first day of the following month.

- (2) If a notice of decrease in income or change in household composition is properly received (see above) on or after the 16<sup>th</sup> of any month, and an interim reexamination results in a reduction of the tenant share of rent payment to the landlord, the adjusted rent amount will be effective on the first day of the second month after the notice was received.
- (a) Example: A Section 8 family is currently paying \$250 per month to their landlord. A family member gets laid off from work and is no longer employed. On January 20<sup>th</sup> the family submits a request for an interim reexamination due to a decrease in household income. SMHA completes the interim reexamination and determines the tenant share of rent payment to the landlord will decrease by \$50. The family will pay \$250 to the landlord on February 1, and begin paying \$200 to the landlord on March 1.
- (3) Delays caused by the family may result in delayed effective dates. The duration of the delay caused by the family will correspond to the delay in the effective date. For example, if the family causes a 30-day delay, the effective date of the rent adjustment will be delayed by 30-days.

#### **15) TERMINATION OF ASSISTANCE TO THE FAMILY BY THE SCHENECTADY MUNICIPAL HOUSING AUTHORITY**

- a) The Housing Authority may at any time terminate program assistance for a participant, because of any of the actions or inaction by the household:
- i) If the family violates any family obligations under the program;
  - ii) If a family member fails to sign and submit consent forms;
  - iii) 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 Schenectady Municipal Housing Authority 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;
  - iv) If any member of the family has been evicted from public housing within three (3) years from the date of admission to the program;
  - v) If a Housing Authority has terminated assistance under the Voucher Program for any member of the family within five (5) years from the date of admission to the program;

- vi) If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program;
- vii) 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;
- viii) 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;
- ix) 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.);
- x) If the family has engaged in or threatened abusive or violent behavior toward Housing Authority personnel;
- xi) If any household member is subject to a lifetime registration requirement under a State sex offender registration program;
- xii) 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 Schenectady Municipal Housing Authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

## **16) COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, INFORMAL HEARINGS FOR PARTICIPANTS**

### **a) COMPLAINTS**

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

### **b) INFORMAL REVIEW FOR THE APPLICANT**

- i) Informal Review for the Applicant
  - (1) The Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority 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.

ii) When an Informal Review is not Required

- (1) The Schenectady Municipal Housing Authority will not provide the applicant an opportunity for an informal review for any of the following reasons:
  - (a) A determination of the family unit size under the Schenectady Municipal Housing Authority subsidy standards;
  - (b) A Schenectady Municipal Housing Authority determination not to approve an extension or suspension of a certificate or voucher term;
  - (c) A Schenectady Municipal Housing Authority determination not to grant approval to lease a unit under the program or to approve a proposed lease;
  - (d) A Schenectady Municipal Housing Authority determination that a unit selected by the applicant is not in compliance with HQS;
  - (e) A Schenectady Municipal Housing Authority determination that the unit is not in accordance with HQS because of family size or composition;
  - (f) General policy issues or class grievances;
  - (g) Discretionary administrative determinations by the Schenectady Municipal Housing Authority.

iii) Informal Review Process

- (1) The Schenectady Municipal Housing Authority will give an applicant an opportunity for an informal review of the Schenectady Municipal Housing Authority decision denying assistance to the applicant. The procedure is as follows:
  - (a) The review will be conducted by any person or persons designated by the Schenectady Municipal Housing Authority other than the person who made or approved the decision under review or a subordinate of this person;
  - (b) The applicant will be given an opportunity to present written or oral objections to the Schenectady Municipal Housing Authority decision;
  - (c) The Schenectady Municipal Housing Authority will notify the applicant of the Schenectady Municipal 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.

iv) Considering Circumstances

- (1) 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.

- (2) 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.
  - (3) 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 Schenectady Municipal Housing Authority will consider evidence of whether the household member:
    - (a) 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;
    - (b) Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or
    - (c) 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;
- v) Informal Review Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status.
- (1) The applicant family may request that the Schenectady Municipal Housing Authority 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. This request must be made by the applicant 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.
  - (2) 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.

c) INFORMAL HEARINGS FOR PARTICIPANTS

- i) When a Hearing is required:
  - (1) The Schenectady Municipal Housing Authority will give a participant family an

opportunity for an informal hearing to consider whether the following Schenectady Municipal Housing Authority decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority utility allowance schedule;
  - (c) A determination of the family unit size under the Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority subsidy standards, or the Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority policy and HUD rules.
- (2) In cases described in paragraphs 16.3(A)(1)(d), (e), and (f), of this section, the Schenectady Municipal Housing Authority will give the opportunity for an informal hearing before the Schenectady Municipal Housing Authority terminates housing assistance payments for the family under an outstanding HAP contract.

ii) When a Hearing is not required

- (1) The Schenectady Municipal Housing Authority will not provide a participant family an opportunity for an informal hearing for any of the following reasons:
- (a) Discretionary administrative determinations by the Schenectady Municipal Housing Authority;
  - (b) General policy issues or class grievances;
  - (c) Establishment of the Schenectady Municipal Housing Authority schedule of utility allowances for families in the program;
  - (d) A Schenectady Municipal Housing Authority determination not to approve an extension or suspension of a certificate or voucher term;
  - (e) A Schenectady Municipal Housing Authority determination not to approve a unit or lease;
  - (f) A Schenectady Municipal Housing Authority determination that an assisted

unit is not in compliance with HQS. (However, the Schenectady Municipal Housing Authority will provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family.);

- (g) A Schenectady Municipal Housing Authority determination that the unit is not in accordance with HQS because of the family size;
- (h) A determination by the Schenectady Municipal Housing Authority to exercise or not exercise any right or remedy against the owner under a HAP contract.

iii) Notice to the Family

- (1) In the cases described in paragraphs 16.3(A)(1)(a), (b), and (c), of this section, the Schenectady Municipal Housing Authority will notify the family that the family may ask for an explanation of the basis of the Schenectady Municipal Housing Authority'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 Schenectady Municipal Housing Authority 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 this 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.

iv) Hearing Procedures

- (1) The Schenectady Municipal Housing Authority and participants will adhere to the following procedures:
  - (a) Discovery
    - (i) The family will be given the opportunity to examine before the hearing any Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority does not make the document(s) available for examination on request of the family, the Schenectady Municipal Housing Authority may not rely on the document at the hearing.
    - (ii) The Schenectady Municipal Housing Authority will be given the opportunity to examine, at the Schenectady Municipal Housing Authority's offices before the hearing, any family documents that are directly relevant to the hearing. The Schenectady Municipal Housing Authority will be allowed to copy any such document at the Schenectady Municipal Housing Authority's expense. If the family does not make the



document(s) available for examination on request of the Schenectady Municipal Housing Authority, the family may not rely on the document at the hearing. Note: The term document includes records and regulations.

(b) Representation of the Family

- (i) At its own expense, a lawyer or other representative may represent the family.

(c) Hearing Officer

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

(d) Evidence

- (i) The Schenectady Municipal Housing Authority 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.

(e) Issuance of Decision

- (i) 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.

(f) Effect of the Decision

- (i) The Schenectady Municipal Housing Authority is not bound by a hearing decision:
  - 1. Concerning a matter for which the Schenectady Municipal Housing Authority 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 Schenectady Municipal Housing Authority hearing procedures.
  - 2. Contrary to HUD regulations or requirements, or otherwise contrary to Federal, State, or local law.
  - 3. If the Schenectady Municipal Housing Authority determines that it is not bound by a hearing decision, the Schenectady Municipal Housing Authority will notify the family within 14 calendar days of the determination, and of the reasons for the determination.

v) Considering Circumstances

- (1) 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.
  - (2) 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.
  - (3) 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 Schenectady Municipal Housing Authority will consider evidence of whether the household member:
    - (a) 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;
    - (b) Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or
    - (c) 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.
- vi) Informal Hearing Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status
- (1) The participant family may request that the Schenectady Municipal Housing Authority 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.
  - (2) 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 INS Decision*, or of the INS appeal decision.

## **17) TERMINATION OF THE LEASE AND CONTRACT**

### **a) TERMINATION OF THE LEASE AND CONTRACT**

i) 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 after the initial year has ended. The owner may only terminate the contract by terminating the lease. The HAP contract may be terminated by the Schenectady Municipal Housing Authority. Under some circumstances the contract automatically terminates.

### **ii) Termination of the lease**

#### **(1) By the family:**

(a) The family may terminate the lease without cause upon proper notice to the owner and to the Schenectady Municipal Housing Authority after the first year of the lease. 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 impose 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 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. The owner must give the Schenectady Municipal Housing Authority 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) Termination of the Lease by mutual agreement

- (a) The family and the owner may mutually agree to terminate the lease after the initial one year term has ended.

iii) Termination of the Contract

(1) Automatic termination of the Contract

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

(2) Termination of the contract by the owner

- (a) The owner may only terminate tenancy in accordance with lease and State and local law.

(3) Termination of the HAP contract by the Schenectady Municipal Housing Authority

- (a) The Housing Authority may terminate the HAP contract because:
  - (i) The Housing Authority has terminated assistance to the family.
  - (ii) The unit does not meet HQS space standards because of an increase in family size or change in family composition.
  - (iii) The unit is larger than appropriate for the family size or composition under the regular Certificate Program.
  - (iv) When the family breaks up and the Schenectady Municipal Housing Authority determines that the family members who move from the unit will continue to receive the assistance.
  - (v) The Schenectady Municipal Housing Authority determines that there is insufficient funding in their contract with HUD to support continued assistance for families in the program:
    - 1. Prior to terminating HAP contracts due to insufficient funding, the Schenectady Municipal Housing Authority will carefully consider all available cost saving measures. Such measures include focusing on Income Verification, Reasonable Rents, accurate Utility Allowances, Portability Absorption/Billing, Minimum Rent Levels, Voucher Issuance Rates, Voucher Payment Standards and other measures allowed by HUD.
    - 2. In the event that the Schenectady Municipal Housing Authority determines that there is indeed insufficient funding and all

appropriate cost saving measures have been exhausted, HAP contracts will be terminated to the extent that a budgetary shortfall is avoided. An analysis will be conducted to determine how many HAP contracts need to be terminated in order to avoid a shortfall. The corresponding number of HAP contracts will then be selected for termination based on the following criteria hierarchy:

- a. Amount of the Housing Assistance Payment in effect on the anticipated termination effective date. The contracts with the lowest Housing Assistance Payment will be selected first.
  - b. Date of admission to the Housing Choice Voucher Program. The HAP contracts executed on behalf of participants with the most recent date of admission will be selected first.
3. Therefore, if there are multiple HAP contracts with the same Assistance Payment, those with more recent admission dates will be selected for termination first.
4. Participants whose HAP Contract was terminated due to insufficient funding will be readmitted to the program prior to the issuance of new vouchers to applicants on the Section 8 wait list. Readmission to such participants will occur on a monthly basis to the extent that ongoing attrition allows for. The Schenectady Municipal Housing Authority will monitor attrition and readmit participants at the same rate.
5. Participants will be readmitted in the reverse order from which they were identified for termination; those with the highest Housing Assistance Payment and oldest admission date will be readmitted first and so on. Readmission will occur based on the characteristics in effect at the time of termination; No adjustments to the family income or household composition will be considered following the termination of the HAP contract and prior to readmission.
6. A reexamination of the household income and family composition will be conducted upon readmission to the program.
7. The Schenectady Municipal Housing Authority may in its discretion make exceptions to the Insufficient Funding Termination and Readmission protocol in the event of unique circumstances which include but are not limited to:
  - a. Anticipated changes in household income that would affect the Housing Assistance Payment for a particular HAP contract.
  - b. Superseding obligations of the Schenectady Municipal Housing Authority to affirmatively further fair housing.
8. The owner has breached the contract in any of the following ways:
  - a. 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;

- b. If the owner has violated any obligation under any other housing assistance payments contract under Section 8 of the 1937;
- c. If the owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
- d. 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;
- e. If the owner has engaged in drug trafficking.

iv) Final HAP payment to owner

- (1) 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) CHARGES AGAINST THE SECTION 8 ADMINISTRATIVE FEE RESERVE**

- a) Occasionally, it is necessary for the Schenectady Municipal Housing Authority to spend money of its Section 8 Administrative Fee Reserve to meet unseen or extraordinary expenditures or for its other housing related purposes consistent with State law.

**19) INTELLECTUAL PROPERTY RIGHTS**

- a) No program receipts may be used to indemnify contractors or subcontractors of the Schenectady Municipal Housing Authority against costs associated with any judgment of infringement of intellectual property rights.

**20) TRANSITION TO THE NEW HOUSING CHOICE VOUCHER PROGRAM**

a) NEW HAP CONTRACTS

- i) On and after October 01, 1999, the Schenectady Municipal Housing Authority 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

- i) If the Schenectady Municipal Housing Authority had entered into any HAP contract for an over-FMR tenancy under the certificate program prior to the merger date of October 01, 1999, on and after October 01, 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 01, 1999.

c) **VOUCHER TENANCY**

- i) If the Schenectady Municipal Housing Authority had entered into any HAP contract for a voucher tenancy prior to the merger date of October 01, 1999, on and after October 01, 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 01, 1999.

d) **REGULAR CERTIFICATE TENANCY**

- i) The Schenectady Municipal Housing Authority 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 01, 1999 at the effective date of the second regular reexamination of family income and composition on or after the merger date of October 01, 1999. Upon such termination of assistance, the HAP contract for such tenancy terminates automatically. The Schenectady Municipal Housing Authority will give at least 120 days written notice of such termination to the family and the owner, and the Schenectady Municipal Housing Authority will offer the family the opportunity for continued tenant-based assistance under the voucher program. The Schenectady Municipal Housing Authority may deny the family the opportunity for continued assistance in accordance with 24 CFR 982.552 and 24 CFR 982.553.

**21) HOMEOWNERSHIP PROGRAM**

a) **PURPOSE**

- i) The Schenectady Municipal Housing Authority's Homeownership Program is designed to promote and support homeownership by a "first-time" homeowner (a family that meets the definition in this Plan). It allows one or more members of the family to purchase a home. Section 8 payments supplement the family's own income to facilitate the transition from rental to homeownership. The initial availability of these assistance payments helps the family pay for the costs of homeownership, and may provide additional assurance for a lender, so that the family can finance purchase of the home.

b) FAMILY PARTICIPATION REQUIREMENTS

- i) In order to assure a successful transition from rental to homeownership, this program shall be open only to those who have been assisted by the Section 8 rental assistance program for a period of at least one year. During this period, all Section 8 program requirements will have been complied with. In the case of Public Housing Homeownership Program Participants, SMHA will waive the requirement that a Section 8 homeownership candidate must have utilized their Section 8 voucher for rental assistance purposes for at least one year. The other exception to the 1 year rent requirement are those coming to the program through porting a voucher from another housing authority.
- ii) The family is qualified to participate as set forth in Section 21.3 of this Plan.
- iii) The unit to be purchased is eligible as set forth in Section 21.4 of this Plan.
- iv) The family has satisfactorily completed the required pre-assistance homeownership counseling.

c) FAMILY ELIGIBILITY REQUIREMENTS

- i) The family has been admitted to the Section 8 Housing Choice Voucher program and desires to participate in the homeownership program.
- ii) At the commencement of homeownership assistance the family must be a first-time homeowner, as defined by HUD.
- iii) A family of which a family member is a person with disabilities, and the use of the homeownership option is needed as a reasonable accommodation so that the program is readily accessible to and usable by such person.
- iv) At commencement of homeownership assistance for the family, the family must demonstrate that its total annual income (gross income), as determined by the Schenectady Municipal Housing Authority, of all the adult family members who will own the home at commencement of homeownership assistance, is not less than the Federal minimum hourly wage multiplied by 2,000 hours.
- v) Except in the case of an elderly family or a disabled family, the Schenectady Municipal Housing Authority shall not count any welfare assistance received by the family in determining annual income under this section.
- vi) The disregard of welfare assistance income under the preceding paragraph only affects the determination of minimum annual income used to determine if a family



initially qualifies for commencement of homeownership assistance in accordance with this section, but does not affect:

- (1) The determination of income-eligibility for admission to the voucher program;
- (2) Calculation of the amount of the family's total tenant payment (gross family contribution);
- (3) Calculation of the amount of homeownership assistance payments on behalf of the family.

vii) In the case of an elderly family or a disabled family, welfare assistance shall be counted in determining annual income.

viii) The family must demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance:

- (1) 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
- (2) Has been continuously so employed during the year before commencement of homeownership assistance for the family.
- (3) This requirement shall be considered fulfilled if:
  - (a) The family member is self-employed and earning a net income (income after business expenses have been deducted) that equals the Federal minimum hourly wage multiplied by 2,000 hours; or
  - (b) Any employment interruptions either were not the fault of the family member or were for less than 30 days and caused by an effort to improve the family's situation.

ix) The employment requirement does not apply to an elderly family or a disabled family. Furthermore, if a family other than an elderly family or a disabled family includes a person with disabilities, an exemption from the employment requirement shall be granted if the Schenectady Municipal Housing Authority determines that an exemption is needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

x) The Schenectady Municipal Housing Authority shall not commence homeownership assistance for a family if any family member has previously received assistance under the homeownership option, and has defaulted on a mortgage securing debt incurred to purchase the home.

xi) The Schenectady Municipal Housing Authority shall not commence homeownership assistance for a family if any family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of

any home.

xii) The family has entered into a contract of sale.

d) ELIGIBLE UNITS

- i) Any unit that is eligible under the Section 8 rental assistance program is eligible for this program except the restrictions against purchasing a unit owned by the housing authority or precluding a unit occupied by its owner or by a person with any interest in the dwelling unit are not applicable. The types of eligible units in the City of Schenectady are single family dwellings, and condominiums.
- ii) The unit must be either existing or under construction (the footers have been poured) at the time the family enters into the contract of sale.
- iii) The unit must be a one unit property or condominium.
- iv) The unit must satisfy the Housing Quality Standards (HQS) and have been inspected by an independent inspector designated and paid for by the family.
- v) The seller cannot be someone who has been debarred, suspended, or is subject to a limited denial of participation by HUD.

e) SEARCHING FOR A NEW HOME

- i) Because the financial health of the Schenectady Municipal Housing Authority's Section 8 program depends upon having units either under lease or being purchased, it is necessary for the Schenectady Municipal Housing Authority to limit the amount of time a family can take between the time a Housing Choice Voucher is issued to the family and the time a home is identified that the family wishes to purchase. Families will have up to sixty (60) days to locate an appropriate property and notify the housing authority. If extraordinary difficulties are encountered, the family can request up to two (2) thirty (30) day extensions that may be granted at the sole discretion of the Schenectady Municipal Housing Authority. If an extension is requested and granted, the family will orally report to the housing authority every two weeks to update the Schenectady Municipal Housing Authority on the progress of its search.
- ii) Once a suitable property has been identified and an agreement to purchase contract entered into, the Schenectady Municipal Housing Authority will determine a maximum time in which the closing must occur and the family to take occupancy of the property. This time frame will vary depending on market conditions.

- iii) If the family is unable to locate a suitable home to purchase, it can request that the Housing Choice Voucher be converted into a rental assistance voucher. This request must be made before the voucher expires. Approval of the request will be at the sole discretion of the Schenectady Municipal Housing Authority with the decision being based on the effort exerted by the family and the condition of the marketplace.
    - iv) Additional time will be granted to a disabled family as a reasonable accommodation if justified by the family's actions and/or marketplace conditions.
  - f) HOMEOWNERSHIP COUNSELING
    - i) Before the commencement of homeownership assistance for a family, the family must attend and satisfactorily complete a pre-assistance homeownership and housing counseling program approved by the Schenectady Municipal Housing Authority (pre-assistance counseling). A copy of a certificate of completion of the pre-assistance counseling program must be provided to the Schenectady Municipal Housing Authority. If possible, the counseling will be conducted by a HUD-approved counseling agency. If this is not available, the Schenectady Municipal Housing Authority shall make other arrangements for the pre-assistance counseling.
    - ii) Some topics to be covered in the PHA-required pre-assistance counseling program are:
      - (1) Home maintenance (including care of the grounds);
      - (2) Budgeting and money management;
      - (3) Credit counseling;
      - (4) Role of the parties involved in negotiating a purchase contract;
      - (5) How to obtain homeownership financing and loan preapprovals, including a description of types of financing that may be available, and the pros and cons of the different types of financing;
      - (6) How to find a home, including the consideration of information about homeownership opportunities, schools, and transportation in the Schenectady Municipal Housing Authority jurisdiction;
      - (7) Options 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;
      - (8) Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and
      - (9) Information about the Real Estate Procedures Act (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.
    - iii) The Schenectady Municipal Housing Authority will also offer additional counseling

after commencement of homeownership assistance. This is referred to as ongoing counseling.

- iv) At least annually the Schenectady Municipal Housing Authority 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. If the reexamination results determine that a homeownership assistance client is in need of ongoing counseling, then such counseling will be mandatory. Circumstances that may initiate a referral for mandatory ongoing counseling may include, but are not limited to: a decline in household income from wages, trouble keeping up with mortgage payments, other credit problems.
- v) All other ongoing counseling will be voluntary for all homeownership assistance recipients except those requesting their second, 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.

g) HOME INSPECTIONS

- i) The Schenectady Municipal Housing Authority will not commence homeownership assistance for a family until it has inspected the unit and has determined that the unit passes HQS.
- ii) The unit must also be inspected by an independent professional inspector selected by, and paid for by, the family. 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. The Schenectady Municipal Housing Authority may not require the family to use an independent inspector selected by the housing authority. The independent inspector may not be a Schenectady Municipal Housing Authority employee or contractor, or other person under control of the housing authority. The independent inspector shall be certified by the American Society of Home Inspectors. It shall be the responsibility of the Schenectady Municipal Housing Authority to verify that the inspector meets this certification qualification.
- iii) The independent inspector must provide a copy of the inspection report both to the family and to the Schenectady Municipal Housing Authority. The Schenectady Municipal Housing Authority will not commence homeownership assistance for the family until it has reviewed the inspection report of the independent inspector.

Even if the unit otherwise complies with HQS (and may qualify for assistance under the Schenectady Municipal Housing Authority's tenant-based rental voucher program), the housing authority will have discretion to disapprove the unit for assistance under the homeownership option because of information in the inspection report.

h) CONTRACT OF SALE

- i) A purchasing family must invest at least three percent of the purchase price of the home they are buying. 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.
- ii) The family must qualify for the mortgage loan under a lender's normal lending criteria, taking into account that this is by definition a low-income family.
- iii) If the home is purchased using FHA mortgage insurance, it is subject to FHA mortgage insurance requirements.
- iv) 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 Schenectady Municipal Housing Authority. 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.
- v) No balloon payment mortgages or variable rate mortgages shall be allowed in the program.
- vi) All mortgage loans must close within the period of time established by the Schenectady Municipal Housing Authority at the time the purchaser and seller enter into their sale contract.

i) REQUIREMENTS FOR CONTINUING ASSISTANCE

- i) Homeownership assistance will only be paid while the family is residing in the home. If the family moves out of the home, the Schenectady Municipal Housing Authority may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to the Schenectady Municipal Housing Authority the homeownership assistance for the month when the family moves out.

ii) The family must comply with the following obligations:

- (1) The family must attend and complete ongoing homeownership and housing counseling before the end of the first, thirteenth and fourteenth years of assistance in order for assistance to continue;
- (2) The family must comply with the terms of any mortgage securing debt incurred to purchase the home;
- (3) As long as the family is receiving homeownership assistance, use and occupancy of the home is subject to the following requirements:
  - (a) The family must use the assisted unit for residence by the family. The unit must be the family's only residence;
  - (b) The composition of the assisted family residing in the unit must be approved by the Schenectady Municipal Housing Authority. The family must promptly inform the housing authority of the birth, adoption or court-awarded custody of a child. The family must request housing authority approval to add any other family member as an occupant of the unit. No other person (i.e., nobody but members of the assisted family) may reside in the unit (except for a foster child or live-in aide);
  - (c) The family must promptly notify the Schenectady Municipal Housing Authority if any family member no longer resides in the unit;
  - (d) If the Schenectady Municipal Housing Authority has given approval, a foster child or a live-in aide may reside in the unit;
  - (e) Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to the primary use of the unit for residence by members of the family;
  - (f) The family must not sublease or let the unit;
  - (g) The family must supply any information or certification requested by the Schenectady Municipal Housing Authority to verify that the family is living in the unit, or relating to family absence from the unit, including any housing authority requested information or certification on the purposes of family absences.
- (4) Upon death of a family member who holds, in whole or in part, title to the home, homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of title by operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members. In the case of a divorce or family separation, the assistance shall follow what a court decrees.
- (5) The family shall supply the Schenectady Municipal Housing Authority with any required information requested by the housing authority. In particular, this shall include information relating to the following:
  - (a) Citizenship or related immigration matters;

- (b) Family income and composition;
  - (c) Social security numbers;
  - (d) Any mortgage or other debt placed on the property;
  - (e) Any sale or other transfer of any interest in the home; and
  - (f) The family's homeownership expenses.
- (6) The family must notify the Schenectady Municipal Housing Authority if the family defaults on a mortgage securing any debt incurred to purchase the home.
  - (7) The family must notify the Schenectady Municipal Housing Authority before the family moves out of the home.
  - (8) During the time the family receives homeownership assistance under this program, no family member may have any ownership interest in any other residential property.
  - (9) Before commencement of homeownership assistance, the family must execute a statement of family obligations in the form prescribed by HUD. In the statement, the family agrees to comply with all family obligations under the homeownership program.
  - (10) The family must secure the written permission of the Schenectady Municipal Housing Authority before it refinances any debt secured by the home or places any additional secured debt on the property.
  - (11) The family must assure the Schenectady Municipal Housing Authority that all real estate taxes were paid on a timely basis. If they were not paid, assistance shall be terminated.

j) **MAXIMUM TERM OF HOMEOWNERSHIP ASSISTANCE**

- i) Except in the case of a family that qualifies as an elderly or disabled family, family members 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 twenty years or longer; or ten years in all other cases.
- ii) The maximum term described in the preceding paragraph applies to any member of the family who has an ownership interest in the unit during the time the homeownership payments are made, or is the spouse of any member of the household who has an ownership interest during the time the homeownership payments are made.
- iii) As noted in paragraph A of this section, the maximum homeownership assistance term does not apply to elderly and disabled families. 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 the homeownership assistance commenced. However, such a family must be provided at least six months of homeownership assistance after the maximum term becomes applicable.

- iv) If the family has received such assistance for different homes, or from different housing authorities, the total of such assistance terms is subject to the maximum term described in paragraph A of this section.

k) AMOUNT AND DISTRIBUTION OF HOMEOWNERSHIP ASSISTANCE

- i) While the family is residing in the home, the Schenectady Municipal Housing Authority shall pay a monthly homeownership assistance payment on behalf of the family that is equal to the lower of:
  - (1) The payment standard minus the total tenant payment; or
  - (2) The family's monthly homeownership expenses minus the total tenant payment.
- ii) 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 size of the home.
- iii) If the home is located in an exception payment standard area, the Schenectady Municipal Housing Authority will use the appropriate payment standard for the exception payment standard area.
- iv) The payment standard for a family is the greater of:
  - (1) The payment standard (as determined in accordance with paragraph A of this section) at the commencement of homeownership assistance for occupancy of the home; or
  - (2) The payment standard (as determined in accordance with paragraph A of this section) at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.
- v) The Schenectady Municipal Housing Authority will use the same payment standard schedule, payment standard amounts, and subsidy standards for the homeownership program as for the rental voucher program.
- vi) A family's homeownership expenses shall include the following items:



- (1) Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
  - (2) Real estate taxes and public assessments on the home;
  - (3) Home insurance;
  - (4) An allowance of \$50. per month for costs of maintenance expenses, major repairs and replacements;
  - (5) The Schenectady Municipal Housing Authority's utility allowance for the home;
  - (6) 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 Schenectady Municipal Housing Authority determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership program is readily accessible to and usable by such person.
- vii) The Schenectady Municipal Housing Authority will pay homeownership assistance payments directly to the lender on behalf of the family unless the lender does not want the payment to be made directly to them.
- viii) Homeownership assistance for a family terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the family. However, the Schenectady Municipal Housing Authority retains the discretion to grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

#### I) HOMEOWNERSHIP PORTABILITY

- i) A family may qualify to move outside the initial Schenectady Municipal Housing Authority's jurisdiction with continued homeownership assistance under the voucher program. Families determined eligible for homeownership assistance by the Schenectady Municipal Housing Authority may purchase a unit outside the housing authority's jurisdiction if:
  - (1) They meet normal requirements for portability under the rental program;
  - (2) The receiving housing authority is administering a voucher homeownership program and the family meets the receiving housing authority's eligibility requirements; and
  - (3) The receiving housing authority is accepting new homeownership families.
- ii) Conversely, if the Schenectady Municipal Housing Authority has slots open in its homeownership program it will accept homeowners exercising portability from another program and absorb such families if possible.

- iii) In general, the portability procedures described previously in this Administrative Plan apply to the homeownership program. The administrative responsibilities of the initial and receiving housing authorities are not altered except that some administrative functions (e.g., issuance of a voucher or execution of a Tenancy Addendum) do not apply to the homeownership program.
- iv) The family must attend the briefing and counseling sessions required by the receiving housing authorities. The receiving housing authority will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving housing authority must promptly notify the initial housing authority 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 housing authority.

m) MOVING WITH CONTINUED ASSISTANCE

- i) A family receiving homeownership assistance may move to a new unit with continued tenant-based assistance. The family may move either with voucher rental assistance (in accordance with rental assistance requirements), or with voucher homeownership assistance (in accordance with homeownership program requirements). The Schenectady Municipal Housing Authority will not commence continued tenant-based assistance for occupancy of the new unit so long as any family member owns any title or other interest in the prior home. No more than one move per year may occur in the program.
- ii) The Schenectady Municipal Housing Authority must be able to determine that all initial requirements have been satisfied if a family that has received homeownership assistance wants to move to a new unit with continued homeownership assistance. However, the following requirements do not apply:
  - (1) The requirement for pre-assistance counseling is not applicable.
  - (2) The requirement that a family must be a first-time homeowner is not applicable.
- iii) The Schenectady Municipal Housing Authority may deny permission to move with continued assistance in the following circumstances:
  - (1) The Schenectady Municipal Housing Authority may deny permission to move with continued rental or homeownership assistance if the housing authority determines that it does not have sufficient funding to provide continued assistance.
  - (2) At any time, the Schenectady Municipal Housing Authority may deny permission to move with continued rental or homeownership assistance in accordance with section 21.14 of this Plan.

n) DENIAL OR TERMINATION OF ASSISTANCE FOR FAMILIES

- i) At any time, the Schenectady Municipal Housing Authority may deny or terminate homeownership assistance in accordance with the same rules as it utilizes for the rental program.
- ii) The same restrictions on admission or continued assistance in regards to criminal activities shall apply to the homeownership program as the rental program.
- iii) The Schenectady Municipal Housing Authority may deny or terminate assistance for violation of participant obligations as previously described for the rental program.
- iv) The Schenectady Municipal Housing Authority shall terminate voucher homeownership assistance for any member of the family receiving homeownership assistance that is dispossessed from the home pursuant to a judgement 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. The Schenectady Municipal Housing Authority, in its discretion, may permit the family to move to a new unit with continued voucher rental assistance if the family can show that the default was for reasons beyond its control. However, the Schenectady Municipal Housing Authority will deny such permission if:
  - (1) The family defaulted on an FHA-insured mortgage; and
  - (2) The family fails to demonstrate that:
    - (a) The family has conveyed title to the home, as required by HUD, to HUD or HUD's designee; and
    - (b) The family has moved from the home within the period established or approved by HUD.

o) RECAPTURE OF HOMEOWNERSHIP ASSISTANCE

- i) The Schenectady Municipal Housing Authority shall recapture homeownership assistance in accordance with HUD regulations.

**22) SECTION 8 ANTI-FRAUD POLICY**

- a) The Schenectady Municipal Housing Authority is fully committed to combating fraud in its Section 8 housing program. It defines fraud as a single act or pattern of actions that include false statements, the omission of information, or the concealment of a substantive fact made with the intention of deceiving or misleading the Schenectady Municipal Housing Authority. It results in the inappropriate expenditure of public funds and/or violation of Section 8 requirements.
- b) Although there are numerous types of fraud that may be committed, the two most

common are the failure to fully report all sources of income and the failure to accurately report who is residing in the residence. The Schenectady Municipal Housing Authority shall aggressively attempt to prevent all cases of fraud.

- c) When a fraudulent action is discovered, the Schenectady Municipal Housing Authority shall pursue litigation to recover excess subsidies paid due to tenant fraud resulting in excess subsidies paid on behalf of the tenant.

### **23) SUPPORT FOR OUR ARMED FORCES**

- a) A major component of our armed forces are the part-time military personnel that serve in the various Reserve and National Guard units. The Schenectady Municipal Housing Authority is very supportive of these men and women. An unfortunate fact of service in both the Reserves and National Guard is that from time to time their personnel are activated to full-time status and asked to serve our country in a variety of ways and circumstances. Whenever the Federal Government activates Reserves and/or National Guard personnel, the Schenectady Municipal Housing Authority wants to support these brave warriors in the following manners:
  - i) If a family finds it necessary for another adult to temporarily move into a unit solely to serve as a temporary guardian for children residing in the unit, the income received by the temporary guardian will not be counted in determining family income. The presence of the temporary guardian will need to be approved by the landlord.
  - ii) Any criminal background check required before anyone can participate in the housing choice voucher program will be waived for a temporary guardian. Instead, any background check will occur after the person moves into the assisted unit. If the results of the check dictate that the person is ineligible for the program, the family shall be given a reasonable time to find a replacement temporary guardian.
  - iii) Recognizing that activation in the Reserves or National Guard can be very disruptive to a family's income, the Schenectady Municipal Housing Authority will expeditiously re-evaluate a resident's portion of rent if requested to do so.
  - iv) A unit cannot be held by a family that is not residing in it as their primary residence for than 180 consecutive days because of a specific regulation. If all members of a military family are temporarily absent from the unit because a member of the family has been called to active duty, the family can retain control of the unit by paying the required rent and returning to the unit within 30 days of the conclusion of the active duty service. If the service extends beyond 180 days, the Schenectady Municipal Housing Authority will seek a waiver of the 180 day limit from HUD.

## **24) VIOLENCE AGAINST WOMEN ACT POLICY**

### **a) PURPOSE**

- i) The purpose of this policy is to reduce domestic violence, dating violence, sexual assault and stalking and to prevent the victims of such violence from becoming homeless by:
  - (1) Protecting victim access to affordable housing;
  - (2) Protecting the safety of victims;
  - (3) Creating long-term housing solutions for victims;
  - (4) Promoting collaborative action between victim service providers and ourselves assisting SMHA to respond appropriately to the violence victim(s) while maintaining a safe environment for our employees, other agency employees who work at our sites, applicants, PH tenants, Section 8 participants, Shelter Plus Care participants and others who might be affected by our actions as a housing authority.
- ii) SMHA shall not discriminate against an applicant, public housing resident, Section 8 program participant, Shelter Plus Care participant, or other program participant on the basis of the rights or privileges provided under the VAWA.
- iii) This policy shall be incorporated into the SMHA Admissions and Continued Occupancy Policy manual, the SMHA Section 8 Administrative Plan, the SMHA Lease Agreement and the SMHA Shelter Plus Care Policy Manual.

### **b) DEFINITIONS**

- i) Definitions in this section apply only to this policy.
  - (1) Dating Violence: Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim, and where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; (iii) the frequency of interaction between the persons involved in the relationship.
  - (2) Domestic Violence: Includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabited with the victim as a spouse, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.
  - (3) Affiliated Individual: With respect to an individual: a spouse, parent, brother, sister or child of that individual, or an individual to whom that individual stands in loco parentis, or any individual, tenant, or lawful occupant living in the household of that individual.

- (4) Sexual Assault: Any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.
- (5) Stalking: To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (i) that person; (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person.
- (6) Victim: Is a person who is the victim of domestic violence, dating violence, sexual assault or stalking under this Policy and who has completed the certification referred to in Section 3.0 of this policy statement in a complete and timely fashion.

c) CERTIFICATION AND CONFIDENTIALITY

- i) HUD Approved Certification: For each incident where a person is claiming victim status, that person shall certify to SMHA their victim status by completing a HUD approved certification form (form HUD-50066). The person shall certify the date, time and description of the incident(s), that the incident(s) are bona fide incidents of actual or threatened abuses and meet the requirements of VAWA and this Policy. The person shall provide information to identify the perpetrator including but not limited to the name, only if the name of the perpetrator is safe to provide and is known (and any and all known aliases), date of birth, address, contact information such as postal, e-mail or internet address, telephone or fax number and other pertinent information.
- ii) Other Certification: In lieu of providing a HUD certification, a person who is claiming victim status may provide to SMHA:
  - (1) Documentation signed by the victim and an employee/agent/volunteer of a victim services provider, an attorney, mental health professional or a medical professional from who the victim has sought assistance in addressing domestic violence, dating violence, sexual assault or stalking or the effects of the abuse, in which the professional attests under penalty of perjury (28 U.S.C. Sec. 1746) to the professional's belief that the incident(s) in question are bona fide incidents of abuse or meet the requirements found in the VAWA; or
  - (2) A federal, state, tribal, territorial, administrative agency, local police or court record.
- iii) Failure to provide Certification: The person claiming victim status shall provide complete and accurate certification to SMHA within 14 business days after SMHA requests in writing that the person completes the certification. If the person alleging

violence does not provide a complete and accurate certification within the 14 business days, SMHA may take action to deny or terminate participation or tenancy.

iv) Confidentiality: SMHA shall keep all information provided under the Policy confidential. SMHA shall not provide the information to any related entity or individual except to the extent that:

- (1) The victim requests or consent to the disclosure in writing, or
- (2) The disclosure is required for use in an eviction proceeding, or
- (3) The disclosure is required by applicable law.

d) BASIS FOR DENIAL OF ADMISSION, ASSISTANCE, OR TENANCY

i) The SMHA shall not deny participation or admission to a program on the basis of a person's victim status, if the person otherwise qualifies for admission or assistance.

ii) An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking will not be a serious or repeated violation of the lease by the victim and shall not be good cause for denying to a victim admission to a program, terminating Section 8 assistance or occupancy rights, participation in the Shelter Plus Care Program, or evicting a tenant.

iii) Criminal activity directly related to domestic violence, dating violence, sexual assault or stalking engaged in by a member of the tenant's household or any guest or other person under the tenant's control shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or affiliated individual of the tenant is the victim of that domestic violence, dating violence, sexual assault or stalking.

iv) Notwithstanding Sections ii) and iii), the SMHA may bifurcate a lease to evict, remove or terminate assistance to any individual who is a tenant or lawful occupant of the housing and who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual, without evicting, removing, termination assistance to or otherwise penalizing the victim(s) of such criminal activity who is also a tenant or lawful occupant of the housing.

v) If SMHA evicts, removes, or terminates assistance to an individual under Section iv), and the individual is the sole tenant eligible to receive assistance under a covered housing program, SMHA shall provide any remaining tenant an opportunity to establish eligibility for the covered housing program. If the remaining tenant(s) cannot establish eligibility, SMHA shall provide the remaining tenant(s) with a reasonable time to find new housing or establish eligibility for housing under another covered housing program.

- vi) Nothing in Section i), ii) or iii) shall limit the authority of SMHA when notified, to honor court orders addressing rights of access to or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members when the family break up.
- vii) Nothing in Sections i), ii) or iii) limits SMHA's authority to evict or terminate assistance to any tenant for any violation of lease not premised on the act or acts of violence against the tenant or an affiliated individual of the tenant. However SMHA may not hold victim to a more demanding standard than any other tenant or participant.
- viii) Nothing in Sections i), ii) or iii) limits the SMHA's authority to evict or terminate assistance, or deny admission to a program if the SMHA can show an actual and imminent threat to other tenants, neighbors, guests, their employees, persons providing services to the tenants or the property of others if the tenant family is not evicted or terminated from assistance or denied admission.
- ix) Nothing in Sections i), ii) or iii) limits the SMHA's authority to deny admission, terminate assistance or evict a person who engages in criminal acts including but not limited to acts of violence, sexual assault or stalking against family members or others.
- x) A Section 8 recipient who moves out of an assisted dwelling unit to protect their health or safety and who: a) is a victim under this Policy; b) reasonably believes he or she was imminently threatened by harm from further violence if she/he remains in the unit; and c) has complied with all other obligations of the Section 8 program may receive a voucher and/or move to another Section 8 jurisdiction.
- xi) A public housing tenant who is a victim under this policy may be allowed to transfer to another available and safe dwelling unit pursuant to SMHA's Transfer Policy if:
  - (1) The tenant expressly requests a transfer; and
  - (2) Reasonably believes he or she is threatened with imminent harm from further violence if he or she remains in the unit; or
  - (3) Is a sexual assault victim, and the sexual assault occurred on the premises during the 90-day period preceding the transfer request.
- e) ACTIONS AGAINST A PERPETRATOR
  - i) The SMHA may evict, terminate assistance, or deny admission to a program or bring charges of trespass on its property against a perpetrator under this Policy. The



victim shall take action to control or prevent the domestic violence, dating violence, sexual assault or stalking. These actions may include but are not limited to: a) obtaining and enforcing a restraining or no-contact order, or an order for protections against the perpetrator; b) obtaining and enforcing a trespass charge against the perpetrator; c) preventing the delivery of the perpetrator's mail to the victim's unit; d) providing identifying information, and e) other reasonable measures.

f) NOTICE TO APPLICANTS, PARTICIPANTS, TENANTS AND SECTION 8 LANDLORDS AND MANAGERS.

- i) SMHA shall provide notice to applicants, participants, tenants, managers and owners of their rights and obligations under Section c. iii) iv) Confidentiality and Section d Basis for Denial of Admission, Assistance or Tenancy.

g) PREFERENCES

- i) Families who are victims under VAWA will receive a preference in SMHA's public housing, Section 8, and Shelter Plus Care programs. Families/family members who have been victims of domestic violence, dating violence, sexual assault or stalking shall provide an acceptable form of certification to qualify for preference, as outlined in Section c.

h) REPORTING REQUIREMENTS

- i) SMHA shall include in its 5 Year Plan a statement of goals, objectives, policies or programs that will serve the needs of victims. SMHA shall also include a description of activities, services or programs provided or offered either directly or in partnership with other service providers to victims, in order to help victims obtain or maintain housing or to prevent the abuse or to enhance the safety of victims.

i) CONFLICT AND SCOPE

- i) This Policy does not enlarge SMHA's duty under any law, regulation or ordinance. If this Policy conflicts with the applicable law, regulation or ordinance, the law, regulation or ordinance shall control. If this Policy conflicts with any other SMHA policy, this Policy will control.

j) AMENDMENT

- i) The Executive Director may recommend to the Board of Commissioners amendments to this policy when it is deemed reasonable to effectuate the Policy's intent, purpose, or interpretation. The amendment shall be effective and incorporated into appropriate program policies and manuals on that date the amendment is approved by the Commissioners.  
(1) The U.S. Department of Housing and Urban Development is developing a notice

with notification provisions and a model transfer policy pursuant to the Violence Against Women Reauthorization act of 2013. SMHA will amend this policy if necessary to fully implement any developments.

k) **LEGISLATIVE AND REGULATORY AUTHORITY**

- i) The provisions of this policy are based on conformity with the provision of the following laws, regulations and notices:
  - (1) The Violence Against Women Act of 1994;
  - (2) The Violence Against Women Reauthorization Act of 2005;
  - (3) The Violence Against Women Reauthorization Act of 2013;
  - (4) The U.S. Department of Housing and Urban Development, Notice PIH 2006-23
  - (5) The U.S. Department of Housing and Urban Development, Notice PIH 2006-42

**25) PROJECT BASED VOUCHER PROGRAM**

a) **INTRODUCTION**

- i) This section describes HUD regulations and PHA policies related to the Project-Based Voucher (PBV) program in nine parts:
  - (1) Part I: General Requirements. General provisions of the PBV program including maximum budget authority requirements, relocation requirements, and equal opportunity requirements.
  - (2) Part II: PBV Owner Proposals. Policies related to the submission and selection of owner proposals for PBV assistance. This part describes the factors the PHA will consider when selecting proposals, the type of housing that is eligible to receive PBV assistance, the cap on assistance at projects receiving PBV assistance, subsidy layering requirements, site selection standards, and environmental review requirements.
  - (3) Part III: Dwelling Units. Requirements related to housing quality standards, the type and frequency of inspections, and housing accessibility for persons with disabilities.
  - (4) Part IV: Rehabilitated and Newly Constructed Units. Requirements and policies related to the development and completion of rehabilitated and newly constructed housing units that will be receiving PBV assistance.
  - (5) Part V: Housing Assistance Payments Contract. HAP contract requirements and policies including the execution, term, and termination of the HAP contract. In addition, this part describes how the HAP contract may be amended and identifies provisions that may be added to the HAP contract at the PHA's discretion.
  - (6) Part VI: Selection of PBV Program Participants. Requirements and policies governing how the PHA and the owner will select a family to receive PBV assistance.
  - (7) Part VII: Occupancy. Occupancy requirements related to the lease, and describes

under what conditions families are allowed or required to move. In addition, exceptions to the occupancy cap (which limits PBV assistance to 25 percent of the units in any project) are also discussed.

- (8) Part VIII: Determining Rent to Owner. Determining the initial rent to owner, and how rent will be re-determined throughout the life of the HAP contract. Rent reasonableness requirements are also discussed.
- (9) Part IX: Payments to Owner. Types of payments owners may receive under this program.

b) PART I: GENERAL REQUIREMENTS

i) Overview [24 CFR 983.5]:

- (1) The project-based voucher (PBV) program allows the SMHA, which already administers a tenant-based voucher program under an annual contributions contract (ACC) with HUD, to operate a PBV program using up to 20 percent of its voucher program budget authority and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6]. The SMHA will only operate a PBV program consistent with its Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].
- (2) PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52]. If PBV units are already selected for project based assistance either under an “Agreement to enter into HAP Contract” (AHAP) or a HAP contract, the SMHA is not required to reduce the number of these units under HAP contract if the amount of budget authority is subsequently reduced. It is noted that while the number of units does not need to be reduced, HAP contracts cannot be renewed if more than 20 percent of the base allocation is utilized for PBV. The SMHA, however, is responsible for determining the amount of budget authority that is available for project based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC [24 CFR 983.6].
- (3) Tenant-based vs. Project-based voucher assistance [24 CFR 983.2]
  - (a) Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the SMHA policies for the tenant-based voucher program contained in this Administrative Plan also apply to the PBV program and its participants.
- (4) Relocation requirements [24 CFR 983.7]
  - (a) Any persons displaced as a result of implementation of the PBV program will be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24.

- (b) The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. The SMHA will not use voucher program funds to cover relocation costs, except that the SMHA may use its administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes also will be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances.
  - (c) The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B. It is the responsibility of the SMHA to ensure the owner and any representatives of the owner, such as a property manager, comply with these requirements.
- (5) Equal opportunity requirements [24 CFR 983.8]
- (a) The SMHA, owners and property managers must comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, the SMHA will comply with the SMHA Annual Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

c) PART II: PBV OWNER PROPOSALS

i) Overview

- (1) In this document, the SMHA will describe the procedures for owner or owner's designee submission of PBV proposals, SMHA selection of PBV proposals, describe how the SMHA will determine that PBV proposals comply with HUD program regulations and requirements, that proposals comply with the cap on the number of PBV units per building, and meet site selection standards.

ii) Owner proposal selection procedures [24 CFR 983.51]

- (1) The SMHA will select PBV proposals in accordance with the selection procedures in this SMHA Administrative Plan. The SMHA will select PBV proposals by either of the following three methods. SMHA will only use competitive selection procedures when non-competitive selection is not applicable.
  - (a) SMHA request for PBV Proposals. The SMHA may solicit proposals by using a Request for Proposals (RFP) to select proposals on a competitive basis in response to the SMHA request. The SMHA may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites;
  - (b) SMHA selection of a proposal previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal,

state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

- (c) SMHA may attach Project Based Vouchers (PBV) to projects in which SMHA has an ownership interest or a controlling interest, without following a competitive process, when SMHA is engaged in an initiative to improve, develop, and/or replace a public housing property or site. Ownership Interest means that SMHA or its officers, employees, or agents are in an entity that holds any direct or indirect interest in the project in which the units are located, including, but not limited to an interest as: titleholder; lessee; stockholder; member, or general or limited partner; or member of a limited liability corporation. An ownership interest also includes where SMHA is the lessor of the ground lease for the land upon which the PBV project to improve, develop, or replace the public housing property is located or will be constructed.
  - (i) SMHA is engaged in an initiative to improve, develop, and/or replace its public housing properties or sites including:
    1. Yates Village – Phase I: SMHA plans to demolish fifty (50) public housing units, and to substantially rehabilitate twenty-five (25) public housing units within the area of the existing A & E buildings at Yates Village. An additional fourteen (14) units will result in a total of eighty-nine (89) first phase units of new and substantially rehabilitated affordable housing dwelling units, and the construction of a stand-alone community center. SMHA plans to project-base up to fifty-seven (57) PBV units without following a competitive process at the property or site.
    2. Yates Village – Phase II: SMHA plans to selectively demolish portions of existing structures resulting in the substantial rehabilitation and the new construction of two hundred-eleven (211) apartment units, within the area of existing B, C, D, F, G & H buildings at Yates Village. Sixty-Six (66) units will be demolished, one hundred fifty-nine (159) units will be rehabilitated and there will be fifty-two (52) units of new construction. SMHA plans to project-base two hundred eleven (211) Project Based Voucher units without following a competitive process at the property or site.

- (ii) The above is consistent with SMHA's PHA Plan to design a neighborhood plan using a mixed finance approach that will support the preservation and creation of affordable housing opportunities.
- iii) SOLICITATION AND SELECTION OF PBV PROPOSALS [24 CFR 983.51(b) and (c)]
- (1) SMHA procedures for selecting PBV proposals are designed and operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by the SMHA.
- iv) SMHA Request for Proposals for Rehabilitated and Newly Constructed Units
- (1) The SMHA will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing in the following newspapers: The Daily Gazette (Schenectady), and the Times Union (Albany). In addition, the SMHA will post the RFP and proposal submission and selection procedures on its website ([www.smha1.org](http://www.smha1.org)).
- (2) The SMHA will publish its notice at least once in the newspapers mentioned above. The notice will specify the number of units the SMHA estimates that it will be able to assist under the funding the SMHA is making available. Proposals will be due in the SMHA office by close of business no less than three weeks from the date of publication.
- (3) In order for the proposal to be considered, the owner or owner's designee (hereinafter referred to as "owner") must submit the proposal to the SMHA by the published deadline date and time, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed. All proposals will be time and date stamped upon submission.
- (4) The SMHA will rate and rank proposals for rehabilitated and newly constructed housing using the criteria listed on the Ranking and Selection Checklist. The Checklist for each RFP will be posted on the SMHA website and RFP advertisement. A sample of the Ranking and Selection Checklist is below:

<b>TERM OF CONTRACT REQUESTED (MIN. 5 PTS. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
Fifteen years	20
Eight to 10 years	10
Five to seven years	5
<b>SITE LOCATION (MIN. 10 PTS. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
If not a project for the elderly or disabled, site is within three miles of places of significant employment, offering a range of jobs for lower income workers, and a significant health facility.	20
Same as above but distance is more than three miles but less than five miles.	10

If a project for the elderly or disabled, site is within 1/4 mile of shopping, significant health facility and neighborhood services, or is within 1/4 mile of bus to these services.	20
Same as above but distance is more than 1/4 mile but less than two miles.	10
<b>DESIGN (MIN. 10 PTS. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
If architectural elevations, setbacks, and massing are considered acceptable for proposed use and in relation to adjacent land uses by City Planning Department staff; project amenities are appropriate for the planned use.	20
If the proposed project meets most of the above criteria and only slight modifications will be necessary to meet City Planning approval.	10
<b>DEVELOPMENT EXPERIENCE (MIN. 5 PTS. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
If applicant has developed 100 or more low-income housing units as primary or co-sponsor in the past five years.	10
If applicant has developed between 50 and 100 low-income housing units as primary or co-sponsor in the past five years.	5
<b>OWNER EXPERIENCE (MIN. 1 PT. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
If applicant has 20 or more years of experience in owning affordable rental housing.	5
If applicant has 10 to 19 years of experience in owning affordable rental housing.	
If applicant has 20 or more years of experience in owning other types of rental housing.	2
If applicant has 10 to 19 years of experience in owning other types of rental housing.	1
<b>MANAGEMENT EXPERIENCE (MIN. 1 PT. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
If applicant has 20 or more years of experience in managing and maintaining affordable rental housing.	5
If applicant has 10 to 19 years of experience in managing and maintaining affordable rental housing.	2
If applicant has 20 or more years of experience in managing and maintaining other types of rental housing.	2
If applicant has 10 to 19 years of experience in managing and maintaining other types of rental housing.	1
<b>PROJECT FEASIBILITY/READINESS TO COMMENCE CONSTRUCTION (MIN. 10 PTS. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
If zoning and other required entitlements are approved and 80% of amount of projected construction period or permanent period debt financing required for feasibility is conditionally committed and/or reserved by official governmental	20

action.	
If zoning and other required entitlements are approved and 50% but less than 80% of amount of projected construction period or permanent period debt financing required for feasibility is conditionally committed and/or reserved by official governmental action.	10
<b>PUBLIC PURPOSE (MIN. 5 PTS. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
75% or more of units will be restricted to low- or very-low income occupancy.	20
50% to 74% of units will be restricted to low- or very-low income occupancy.	10
25% to 49% of units will be restricted to low- or very-low income occupancy.	5
Other City-identified priority needs.  (Priority needs would be those indicated in the City of Schenectady Consolidated Plan for a particular community or any other official document that indicates a community's needs as it relates to housing. Applicants will be asked for justification/documentation of how their projects meet priority needs. NOTE: No more than 20 points will be given in this category.)	10

(5) An application that does not meet the minimum points in each category will not be considered. The minimum number of points an application must have to proceed in the process is 60 % of the total maximum available points. If there are a limited number of vouchers available, as stated in the RFP, the vouchers will be awarded to the applicant with the highest number of points. In the event of a tie, the date and time of submission will be the tie-breaker.

v) SMHA Requests for Proposals for Existing Housing Units

- (1) The SMHA will advertise its request for proposals (RFP) for existing housing units in the following newspapers: The Daily Gazette (Schenectady), and the Times Union (Albany). In addition, the SMHA will post the RFP and proposal submission and selection procedures on its website ([www.smha1.org](http://www.smha1.org)).
- (2) The SMHA will periodically publish its notice in the newspapers and trade journals mentioned above. The notice will specify the number of units the SMHA estimates that it will be able to assist under the funding the SMHA is making available. Owner proposals will be accepted on an ongoing basis with an evaluation taking place when the SMHA has received a minimum of five proposals or four weeks have passed, whichever comes first. The proposals will be evaluated using the criteria listed on the Ranking and Selection Checklist. The Checklist for each RFP will be posted on the SMHA website and RFP advertisement. A sample of the Ranking and Selection Checklist is below:



<b>TERM OF CONTRACT REQUESTED (MIN. 5 PTS. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
Fifteen years	20
Eight to 10 years	10
Five to seven years	5
<b>COMMUNITY AMENITIES (MIN. 10 PTS. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
If not a project for the elderly or disabled, site is within two miles of places of significant employment, offering a range of jobs for lower income workers, and a significant health facility.	20
Same as above but distance is more than two miles but less than five miles.	10
If a project for the elderly or disabled, site is within 1/4 mile of shopping, significant health facility and neighborhood services, or is within 1/4 mile of bus to these services.	20
Same as above but distance is more than two miles but less than two miles.	10
<b>UNIT/APT. COMPLEX AMENITIES (MIN. 5 PTS. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
Three or more amenities.	20
Two amenities.	10
One amenity.	5
Unit amenities include the following: features adapted for persons with disabilities, off-street parking, laundry facilities, porches/decks, play area for children, recreational facility for children and adults, common area function room.	
<b>PREVIOUS EXPERIENCE (MIN. 5 PTS. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
20 years or more experience managing and maintaining <b>affordable</b> rental Housing.	20
10 to 19 years of experience managing and maintaining <b>affordable</b> rental Housing.	10
20 years or more experience managing and maintaining rental housing.	10
10 to 19 years of experience managing and maintaining rental housing.	5
<b>PUBLIC PURPOSE (MIN. 5 PTS. REQUIRED)</b>	<b>MAX. PTS. AVAIL.</b>
75% or more of units, including non-PBV units, to be restricted to low- or very low income occupancy.	20
50% to 74% of units, including non-PBV units, to be restricted to low- or very low income occupancy. 10	
25% to 49% of units, including non-PBV units, to be restricted to low- or very low income occupancy.	5

Senior housing.	10
Other City-identified priority needs.  (Priority needs would be those indicated in the City of Schenectady Consolidated Plan for a particular community or any other official document that indicates a community's needs as it relates to housing. Applicants will be asked for justification/documentation of how their projects meet priority needs.	10

- (3) An application that does not meet the minimum points in each category will not be considered. The minimum number of points an application must have to proceed in the process is 60 % of the total maximum available points. If there are a limited number of vouchers available, as stated in the RFP, the vouchers will be awarded to the applicant with the highest number of points. In the event of a tie, the date and time of submission will be the tie-breaker.
- vi) SMHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program.
- (1) The SMHA will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis. SMHA will ensure that the Previous Competitive Selection which is the basis for selection for PBV assistance is made without regard to the possibility of PBV assistance.
  - (2) The SMHA may periodically advertise that it is accepting proposals, specifying the number of vouchers available for this purpose, in The Daily Gazette (Schenectady), and the Times Union (Albany). In addition, the SMHA will post the RFP and proposal submission and selection procedures on its website ([www.smha1.org](http://www.smha1.org)).
  - (3) Proposals will be reviewed on a first-come first-served basis. The SMHA will evaluate each proposal on its merits using the following factors:
    - (a) Extent to which the project furthers the SMHA goal of deconcentrating poverty and expanding housing and economic opportunities; and
    - (b) Extent to which the proposal complements other local activities such as the HOME program, CDBG activities, other development activities in a HUD designated Enterprise Zone, Economic Community, or Renewal Community; and
    - (c) The rating factors outlined in the previous section.
- vii) SMHA-owned Units [24 CFR 983.51(e) and 983.59]

- (1) If the SMHA submits a proposal for project-based housing that is owned or controlled by the SMHA, the SMHA will:
  - (a) Seek HUD approval to have an independent entity review the proposal and determine if the SMHA's proposal should be selected. If HUD does not approve of the independent entity, the SMHA will seek HUD's review of the SMHA's proposal.
  - (b) Use an independent entity which meets HUD approval to perform HQS inspections.
  - (c) Use an independent entity which meets HUD approval to determine rents and rent reasonableness.
  - (d) Will obtain HUD approval for the services of these entities prior to selecting the proposal for SMHA-owned housing.
- (2) The SMHA will only compensate the independent entity, which is responsible for obtaining the services of an appraiser, from SMHA ongoing administrative fee income (including amounts credited to the administrative fee reserve). The SMHA will not use other program receipts to compensate the independent entity and appraiser for their services. The SMHA, independent entity, and appraiser may not charge the family any fee for the appraisal or the services provided by the independent entity.

viii) SMHA Notice of Owner Selection [24 CFR 983.51(d)]

- (1) Within 14 calendar days of the SMHA making a selection, the SMHA will notify the selected owner in writing of the owner's selection for the PBV program. The SMHA 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.
- (2) In addition, the SMHA will publish its notice for selection of PBV proposals in the same newspapers the SMHA used to solicit the proposals. The announcement will include the name of the owner and address of units selected for the PBV program. The SMHA will also post the notice of owner selection on its website.
- (3) The SMHA will make available to any interested party its rating and ranking sheets and documents that identify the SMHA 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. The SMHA will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.
- (4) The SMHA will make these documents available for review at the SMHA during normal business hours.

ix) Housing type [24 CFR 983.52]

- (1) The SMHA will attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an

agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program if, at the time of notice of SMHA selection, the units exist and substantially comply with HQS. "Substantially" is defined as any unit that has an accumulation of items that would cost less than \$1,000 and take less than one month's time to comply fully with HQS requirements. Units for which new construction or rehabilitation was started in accordance with PBV program requirements do not qualify as existing housing. The SMHA choice of housing type will be reflected when it solicits proposals.

x) Prohibition of assistance for certain units.

(1) Ineligible Housing Types [24 CFR 983.53]

(a) The SMHA will not attach or pay PBV assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes or pads; high-rise elevator projects for families with children; and transitional housing. In addition, the SMHA will not attach or pay PBV assistance for a unit occupied by an owner and the SMHA will not select or enter into an AHAP or enter into a HAP contract for a unit occupied by a family ineligible for participation in the PBV program.

(b) Subsidized Housing [24 CFR 983.54]

- (i) The SMHA will not attach or pay PBV assistance to units in any of the following types of subsidized housing:
1. A public housing unit;
  2. A unit subsidized with any other form of Section 8 assistance;
  3. A unit subsidized with any governmental rent subsidy;
  4. A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
  5. A unit subsidized with Section 236 rental assistance payments (except that the SMHA could attach assistance to a unit subsidized with Section 236 interest reduction payments);
  6. A Section 202 project for non-elderly with disabilities;
  7. Section 811 project-based supportive housing for persons with disabilities;
  8. Section 202 supportive housing for the elderly;
  9. A Section 101 rent supplement project;
  10. A unit subsidized with any form of tenant-based rental assistance;

11. A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the SMHA in accordance with HUD requirements.

(c) Other Ineligible Housing Types

(i) Due to the need for more one, two, and three bedroom units, the SMHA will not attach or pay PBV assistance for group homes or single room occupancy (SRO) units.

xi) Subsidy layering requirements [24 CFR 983.55]

- (1) The SMHA will provide PBV assistance only in accordance with HUD subsidy layering regulations [24 CFR 4.13] and other requirements. The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.
- (2) A subsidy layering review is not required for existing housing.
- (3) The SMHA will submit the necessary documentation to HUD for a subsidy layering review for new construction and rehabilitation projects. The SMHA will not enter into an AHAP contract until HUD (or an independent entity approved by HUD) has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements.
- (4) The HAP contract will contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.
- (5) If before or during the HAP contract, the owner receives additional HUD or other governmental assistance for the project that results in an increase in project financing in an amount that is equal to or greater than 10 percent of the original development budget, the Owner must report such changes to the PHA and the PHA must notify the HCA, or HUD (if there is no participating HCA in their jurisdiction), that a further subsidy layering review is required.

xii) Cap on number of PBV units in each project

(1) 25 Percent per Project Cap [24 CFR 983.56(a) as amended by HERA]

(a) In general, the SMHA will not select a proposal to provide PBV assistance for units in a project or enter into an AHAP or a HAP contract to provide PBV assistance for units in a project, if the total number of dwelling units in the project that will receive PBV assistance during the term of the PBV HAP contract is more than 25 percent of the number of dwelling units (assisted or

unassisted) in the project.

(2) Exceptions to 25 Percent per Project Cap [24 CFR 983.56(b) as amended by HERA]

(a) Exceptions are allowed and PBV units are not counted against the 25 percent per project cap if:

- (i) The units are in a single-family building, defined by HUD as any building with one to four units;
- (ii) The units are *excepted units* in a multifamily building because they are specifically made available for elderly or disabled families or families receiving supportive services (also known as *qualifying families*).

(b) Supportive Services

- (i) The types of supportive services offered to families for a project to qualify for the exception are those intended to promote self-sufficiency, including:

- 1. Outreach;
- 2. Case management, counseling;
- 3. Health care, psychiatric and mental health care, substance abuse treatment;
- 4. Life skills, parenting skills;
- 5. Child care, transportation, housing search assistance, budgeting;
- 6. Employment assistance, job training/placement;
- 7. Education, vocational opportunities.

- (ii) Supportive services do not have to be provided at the project site. When supportive services are provided, whether on site or not, the following conditions apply:

- 1. The statement of family responsibility in the lease must contain the family's obligation to participate in the designated service program. Failure of the family to comply is good cause to terminate the family from the program.
- 2. Participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers is not required as a condition of living in an excepted unit.
- 3. The SMHA will ensure that only families receiving supportive services and complying with the service requirements are assisted.

- (iii) To qualify, a family must have at least one member receiving at least one qualifying supportive service. The SMHA will not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit, although such services may be offered.

- (iv) If a family at the time of initial tenancy is receiving, and while the resident of an excepted unit has received, FSS supportive services or any

other supportive services as defined above, and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

(v) The SMHA will monitor the excepted family's continued receipt of supportive services and take appropriate action regarding those families that fail without good cause to complete their supportive services requirement. Monitoring will be accomplished by requiring the owner to provide quarterly reports on the family's participation and confirming this information by certification by the tenant at the annual re-examination. All "Excepted Families" must complete an annual PBV Certification of Supportive Services.

(c) The SMHA will provide PBV assistance for the following types of excepted units – units limited to use by "qualifying families:"

(i) Units in a multifamily building specifically made available for elderly or disabled families; and

(ii) Units for families receiving supportive services.

(d) Elderly, disabled, and families receiving supportive services are all "qualifying families."

xiii) Promoting Partially-Assisted Projects [24 CFR 983.56(c) as amended by HERA]

(1) The SMHA is not setting a cap on the number of PBV units assisted per project beyond the 25 percent cap for non-excepted units.

xiv) Site selection standards

(1) Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards [24 CFR 983.57(b)]

(a) The SMHA will not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an AHAP contract or HAP contract for units on the site, unless the SMHA has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities will be consistent with the Agency Plan under 24 CFR 903 and this Administrative Plan.

(b) In addition, prior to selecting a proposal, the SMHA will determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).

- (c) It is the SMHA's goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal the SMHA will attempt to limit approval of sites for PBV housing in census tracts that have family poverty concentrations of 20 percent or less.
- (d) The SMHA will grant exceptions to the 20 percent standard where the SMHA 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 census tracts where:
  - (i) The proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
  - (ii) The concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;
  - (iii) The proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;
  - (iv) New market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
  - (v) There has been an overall decline in the poverty rate within the past five years; or
  - (vi) There are meaningful opportunities for educational and economic advancement.

xv) Existing and Rehabilitated Housing Site and Neighborhood Standards [24 CFR 983.57(d)]

- (1) The SMHA will not enter into an AHAP for units that will be rehabilitated, nor execute a HAP contract for existing units until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:
  - (a) Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
  - (b) Have adequate utilities and streets available to service the site;
  - (c) Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
  - (d) Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
  - (e) Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not



excessive.

xvi) New Construction Site and Neighborhood Standards [24 CFR 983.57(e)]

- (1) In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD-required site and neighborhood standards:
  - (a) The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
  - (b) The site must have adequate utilities and streets available to service the site;
  - (c) The site must not be located in an area of minority concentration unless the SMHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;
  - (d) The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area;
  - (e) The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low income persons;
  - (f) The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
  - (g) The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
  - (h) Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

xvii) Environmental Review [24 CFR 983.58]

- (1) The SMHA's activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The *responsible entity* (i.e., City of Schenectady) is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The SMHA will not enter into an AHAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.
- (2) In the case of existing housing, the City of Schenectady, responsible for the environmental review under 24 CFR part 58, must determine whether or not PBV assistance is categorically excluded from review under the National

Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

- (3) The SMHA will not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and the SMHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.
- (4) The SMHA will supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The SMHA requires the owner to carry out mitigating measures required by the City of Schenectady (or HUD, if applicable) as a result of the environmental review.

d) PART III: DWELLING UNITS

i) Overview

- (1) This part identifies the special housing quality standards that apply to the PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

ii) Housing Quality Standards [24 CFR 983.101]

- (1) The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, cooperative housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.
- (2) The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.
- (3) The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, the Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

iii) Housing Accessibility for Persons With Disabilities

- (1) Housing will comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. The SMHA will ensure that the percentage of accessible dwelling units complies with the requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.
- (2) Housing first occupied after March 13, 1991, will comply with design and

construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

iv) Inspecting Units

- (1) It is required that the owner/landlord or property manager be present for the entire duration of any Housing Quality Standard (HQS) inspections performed by the Schenectady Municipal Housing Authority. The HQS inspector will not enter a building or apartment to inspect if the owner/landlord or property manager is not present. This policy applies to HQS inspections performed for any reason, including tenant caused deficiencies.
- (2) Pre-selection Inspection [24 CFR 983.103(a)]
  - (a) The SMHA will examine the proposed site before the proposal selection date. If the units to be assisted already exist, the SMHA will inspect all the units before the proposal selection date, and will determine whether the units substantially (as previously defined) comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. The SMHA, however, will not execute the HAP contract until the units fully comply with HQS.
- (3) Pre-HAP Contract Inspections [24 CFR 983.103(b)]
  - (a) The SMHA will inspect each contract unit before execution of the HAP contract. The SMHA will not enter into a HAP contract covering a unit until the unit fully complies with HQS.
- (4) Turnover Inspections [24 CFR 983.103(c)]
  - (a) Before providing assistance to a new family in a contract unit, the SMHA will inspect the unit. The SMHA will not provide assistance on behalf of the family until the unit fully complies with HQS.
- (5) Annual Inspections [24 CFR 983.103(d)]
  - (a) At least annually during the term of the HAP contract, the SMHA will inspect 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. The sample will be selected at random. A database of the units will be maintained which can be exported to Excel. This software program has a Random Number Generation Tool that will allow 20 percent of the total units to be selected at random. Turnover inspections are not counted toward meeting this annual inspection requirement.
  - (b) If more than 20 percent of the annual sample of inspected contract units in a building fails the initial inspection, the SMHA will re-inspect 100 percent of the contract units in the building.
- (6) Other Inspections [24 CFR 983.103(e)]
  - (a) The SMHA will inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing

maintenance, utilities, and other services in accordance with the HAP contract. The SMHA will take into account complaints and any other information coming to its attention in scheduling inspections.

- (b) The SMHA will conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and will conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.
  - (c) In conducting SMHA supervisory quality control HQS inspections, the SMHA will include a representative sample of both tenant-based and project-based units.
- (7) Inspecting SMHA-owned Units [24 CFR 983.103(f)]
- (a) In the case of SMHA-owned units, the inspections will be performed by an independent agency designated by the SMHA and approved by HUD. The independent entity will furnish a copy of each inspection report to the SMHA and to the HUD Buffalo field office. The SMHA will take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the SMHA-owner.

e) PART IV: REHABILITATED AND NEWLY CONSTRUCTED UNITS

i) OVERVIEW [24 CFR 983.151]

- (1) There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.
- (2) Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

ii) Agreement to Enter Into Hap Contract

- (1) In order to offer PBV assistance in rehabilitated or newly constructed units, the SMHA will enter into an agreement to enter into a HAP contract (AHAP) with the owner of the property. The Agreement will be in the form required by HUD [24 CFR 983.152(a)].
- (2) In the AHAP, the owner agrees to develop the PBV contract units to comply with HQS, and the SMHA agrees that, upon timely completion of such development in accordance with the terms of the Agreement, the SMHA will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(b)].

iii) Content of the Agreement [24 CFR 983.152(c)]

- (1) At a minimum, the AHAP will describe the following features of the housing to be developed and assisted under the PBV program:

- (2) Site and the location of the contract units;
- (3) Number of contract units by area (size) and number of bedrooms and bathrooms;
- (4) Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- (5) Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant;
- (6) An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements will be included in the description of work to be performed under the Agreement;
- (7) Estimated initial rents to owner for the contract units;
- (8) Description of the work to be performed under the Agreement. For rehabilitated units, the description will include the rehabilitation work write up and, where determined necessary by the SMHA, specifications and plans. For new construction units, the description will include the working drawings and specifications;
- (9) Any additional requirements for quality, architecture, or design over and above HQS.

iv) Execution of the AHAP [24 CFR 983.153]

- (1) The AHAP will be executed “promptly” after SMHA notice of proposal selection to the selected owner. The SMHA, however, will not enter into the AHAP with the owner until the subsidy layering review is completed. Likewise, the SMHA will not enter into the AHAP until the environmental review is completed and the SMHA has received environmental approval. Promptly, in this case, requires the selected owner to have completed the necessary reviews for the project and be ready to enter into an AHAP within one year from the date of notification that the project is awarded PBV assistance.
- (2) The SMHA has the option to grant an extension to this one year limit provided the owner can demonstrate that progress is being made and that the project will go to AHAP within the extended time frame.

v) Conduct of Development Work

(1) Labor Standards [24 CFR 983.154(b)]

- (a) The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.
- (b) The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws

and regulations. The SMHA will monitor compliance with labor standards.

(2) Equal Opportunity [24 CFR 983.154(c)]

- (a) The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.
- (b) Owner Disclosure [24 CFR 983.154(d) and (e)]
- (c) The AHAP and HAP contracts must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.
- (d) The owner must also disclose any possible conflict of interest that would be a violation of the AHAP and HAP contracts or HUD regulations.

vi) Completion of Housing

- (1) The AHAP will specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The AHAP will also specify the deadline for submission by the owner of the required evidence of completion.

(a) Evidence of Completion [24 CFR 983.155(b)]

- (i) At a minimum, the owner must submit the following evidence of completion to the SMHA in the form and manner required by the SMHA:
  - 1. Owner certification that the work has been completed in accordance with HQS and all requirements of the AHAP;
  - 2. Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing; and
  - 3. Certificate of Occupancy (for new construction) or Final Building Permit (for rehabilitation projects) from the City of Schenectady.

(b) SMHA Acceptance of Completed Units [24 CFR 983.156]

- (i) Upon notice from the owner that the housing is completed, the SMHA will inspect the housing to determine if it has been completed in accordance with the AHAP, including compliance with HQS and any additional requirements imposed under the AHAP. The SMHA also will determine if the owner has submitted all required evidence of completion.
- (ii) If the work has not been completed in accordance with the AHAP, the SMHA will not enter into the HAP contract.
- (iii) If the SMHA determines the work has been completed in accordance with the AHAP and that the owner has submitted all required evidence of completion, the SMHA will submit the HAP contract for execution by the

owner and must then execute the HAP contract.

f) PART V: HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)

i) Overview

- (1) The SMHA will enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. The HAP contract will be in the form required by HUD [24 CFR 983.202].

ii) HAP Contract Requirements

(1) Contract Information [24 CFR 983.203]

(a) The HAP contract will specify the following information:

- (i) The total number of contract units by number of bedrooms;
- (ii) The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
- (iii) The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
- (iv) Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- (v) Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
- (vi) Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- (vii) The HAP contract term;
- (viii) The number of units in any building that will exceed the 25 percent per building cap, which will be set-aside for occupancy by qualifying families; and
- (ix) The initial rent to owner for the first 12 months of the HAP contract term.

(2) Execution of the HAP Contract [24 CFR 983.204]

- (a) The SMHA will not enter into a HAP contract until each contract unit has been inspected and the SMHA has determined that the unit complies with Housing Quality Standards (HQS). For existing housing, the HAP contract will be executed "promptly" after the SMHA selects the owner proposal and inspects the housing units. "Promptly," in this case, means that the owner must be ready and willing to sign the HAP contract within two months from the date the SMHA has completed HQS inspections, found the units in

compliance, and has notified the owner of its selection decision.

- (b) For newly constructed or rehabilitated housing, the HAP contract will be executed after the SMHA has inspected the completed units, determined that the units have been completed in accordance with the AHAP, and the owner furnishes all required evidence of completion.
  - (c) For rehabilitated or newly constructed housing, the HAP contract will be executed within two months of the SMHA determining that the units have been completed in accordance with the AHAP, all units meet HQS, and the owner has submitted all required evidence of completion.
- (3) Term of HAP Contract [24 CFR 983.205]
- (a) The SMHA will enter into a HAP contract with an owner for an initial term of no less than one year and no more than 15 years.
  - (b) The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis within HUD parameters.
  - (c) SMHA may agree to enter into an extension of the HAP contract at the time of the initial HAP contract execution or any time before the expiration of the contract if the SMHA determines an extension is appropriate to continue providing affordable housing for low income families. The maximum aggregate term for an extension of the HAP contract is 15 years. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension.
  - (d) When determining whether or not to extend an expiring PBV contract, the SMHA will consider several factors including, but not limited to:
    - (i) The cost of extending the contract and the amount of available budget authority;
    - (ii) The condition of the contract units;
    - (iii) The owner's record of compliance with obligations under the HAP contract and lease(s);
    - (iv) Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and
    - (v) Whether the funding could be used more appropriately for tenant-based assistance.
- (4) Termination by SMHA [24 CFR 983.205(c)]
- (a) The HAP contract will provide that the term of the SMHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by the SMHA in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.
  - (b) If it is determined that there may not be sufficient funding to continue



housing assistance payments for all contract units and for the full term of the HAP contract, the SMHA may terminate the HAP contract by notice to the owner. The termination will be implemented in accordance with HUD instructions.

(5) Termination by Owner [24 CFR 983.205(d)]

- (a) If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to the SMHA. In this case, families living in the contract units must be offered tenant-based assistance.
- (b) Section 2835 (a) (1) (E) of the Housing and Economic Recovery Act of 2008, (HERA) amends Section 8 (o) (13) (I) of the U. S. Housing Act of 1937 to make permissive a HAP Contract provision that the maximum rent on a unit shall not be less than the initial rent. With the publication of HUD's final guidance on this issue, the SMHA shall limit rent reductions to the initial HAP rents.

(6) Remedies for HQS Violations [24 CFR 983.207(b)]

- (a) The SMHA will not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If the SMHA determines that a contract does not comply with HQS, the SMHA will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program.

iii) Amendments to the HAP Contract

(1) Substitution of Contract Units [24 CFR 983.206(a)]

- (a) The SMHA will amend the HAP contract to substitute a different unit, if the unit has the same number of bedrooms in the same building, is HQS compliant, and meets all PBV requirements for a previously covered contract unit. Before any such substitution can take place, the SMHA will inspect the proposed unit and determine the reasonable rent for the unit.

(2) Addition of Contract Units [24 CFR 983.206(b)]

- (a) At the SMHA's discretion and subject to the restrictions on the number of dwelling units that can receive PBV assistance per building and on the overall size of the SMHA's PBV program, a HAP contract may be amended during the three-year period following the execution date of the HAP contract to add additional PBV units in the same building. This type of amendment is subject to all PBV program requirements except that a new PBV proposal is not required.
- (b) The SMHA will consider adding contract units to the HAP contract when the SMHA determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:
  - (i) The local housing inventory is reduced due to a disaster (either due to

- loss of housing units, or an influx of displaced families); and
- (ii) Voucher holders are having difficulty finding units that meet program requirements.

iv) HAP Contract Year, Anniversary and Expiration Dates [24 CFR 983.206(C) and 983.302(e)]

- (1) The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.
- (2) The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.
- (3) There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

v) Owner Responsibilities Under the HAP [24 CFR 983.209]

- (1) When the owner executes the HAP contract, the owner certifies that at such execution and at all times during the term of the HAP contract:
  - (a) All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
  - (b) The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
  - (c) Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by the SMHA, and the lease is in accordance with the HAP contract and HUD requirements;
  - (d) To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
  - (e) The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
  - (f) The amount of the HAP the owner is receiving is correct under the HAP contract;
  - (g) The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
  - (h) Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and

(i) The family does not own or have any interest in the contract unit.

vi) Additional HAP Requirements

(1) Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.207(a)]

(a) The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the SMHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

(b) The SMHA may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements must be specified in the RFP, AHAP contract and the HAP contract. These requirements must be in addition to, not in place of, compliance with HQS.

(c) The SMHA will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. The SMHA will specify any special design standards or additional requirements in the invitation for PBV proposals, the AHAP contract, and the HAP contract.

(2) Vacancy Payments [24 CFR 983.352(b)]

(a) Vacancy Payments will be paid to the owner in accordance with the terms of the HAP contract.

g) PART VI: SELECTION OF PBV PROGRAM PARTICIPANTS

i) Overview

(1) Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

ii) Eligibility for PBV Assistance [24 CFR 983.251(A) And (B)]

(1) The SMHA will select families for the PBV program from those who are participants in the SMHA's tenant-based voucher program, those who have applied for admission to the voucher program and Targeted Referrals from the owner or their service partner(s). "Targeted Referrals" are otherwise eligible households who also meet demographic or other targeting criteria (such as "homeless" or "homeless veteran") required by interested financial or regulatory parties or partners.

(2) For voucher participants, eligibility was determined at original admission to the voucher program and does not need to be re-determined at the commencement

of PBV assistance. For all others, eligibility for admission will be determined prior to the commencement of PBV assistance.

- (3) Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and the SMHA, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)]. In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to the SMHA's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. An applicant family also must meet HUD requirements related to current or past criminal activity. In addition families who will reside in "Excepted" units must meet the appropriate criteria as a "qualified" family.

iii) In-Place Families [24 CFR 983.251(b)]

- (1) An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the SMHA is considered an "in-place family." These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family will be placed on the SMHA's waiting list. Once the family's continued eligibility is determined (the SMHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family will be given an absolute selection preference and the SMHA must refer these families to the project owner for an appropriately-sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.
- (2) This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

iv) Tenant Referrals to PBV Units

- (1) When SMHA is notified by the owner of an anticipated vacancy at a PBV site, the SMHA will notify the next appropriate families on the PBV waiting list. The SMHA's letter to the applicants also will state that if the applicant is interested in residing in the vacant PBV unit, that the applicant will not lose her or his place on the SMHA's HCV waiting list provided they are existing HCV applicants and not Targeted Referrals from the owner's service partner; Targeted Referrals will only be placed on the PBV waiting list.
- (2) Applicants indicating interest in a PBV unit will be referred to the owner in the order in which they appear on the appropriate wait list. If the tenant selection criteria of the owner include screening for credit and criminal background, these

procedures may be performed prior to completion of the full eligibility process. If, on the basis of the credit and/or criminal background screening process, the owner will not offer tenancy to the applicant, the SMHA will not complete the voucher eligibility process and the applicant will be removed from the selected site-based project-based wait list and sent a notice to this effect.

v) Creation of the PBV Waiting List

- (1) Targeted Referrals to the PBV program will be placed on the PBV waiting list. The SMHA will also query tenant-based assisted households known to be seeking new units (i.e. newly-issued voucher holder, current participants who have given notice or otherwise indicated interest in seeking a new unit) and HCV applicants nearing the top of the HCV waiting list to determine if there is interest in being placed on the PBV waiting list. Voucher holders porting into the SMHA jurisdiction may not be offered a PBV unit because HCVP provisions on portability under 24 CFR Part 982 do not apply to the project-based program under 24 CFR Part 983. PBV applicants shall always have priority over HCV tenants for available PBV units.
- (2) Families will remain on the PBV waiting list until they are placed in a PBV unit, accept HCV assistance outside of the PBV program, are selected for placement in the PBV program but decline a unit offer or are denied assistance by SMHA or the owner for failing to meet the applicable eligibility criteria.

vi) Organization of The PBV Waiting List [24 CFR 983.251(C)]

- (1) The SMHA will use its PBV Program waiting list to select tenants for PBV units. The PBV wait list will be organized based on a set of preferences and will account for the date and time that a PBV application was received.
  - (a) Preferences
    - (i) PBV applicants who meet the following criteria will be granted preference on the PBV waiting list:
      1. Homeless;
      2. Homeless Veteran;
      3. Elderly (62 years of age or older).
    - (ii) Homeless and Homeless Veteran preferences will be verified by the owner or their service partner prior to being referred to the PBV waiting list.
    - (iii) One preference point will be granted for each preference that a PBV applicant is eligible for. A PBV applicant will only be eligible for the Homeless preference or the Homeless Veteran Preference but not both; PBV applicants may only qualify for two preferences if they are also elderly. PBV applicants with the most preference points will move to the top of the list while those with no preference points will remain near the

bottom.

- (iv) For applicants with the same number of preference points, their order on the PBV waiting list will be determined by the date and time that a PBV application is received. A PBV application is considered received upon submission of a Targeted Referral from the owner or their service partner. For tenant-based assisted households known to be seeking new units (i.e. newly-issued voucher holders and current participants who have given notice or otherwise indicated interest in seeking a new unit) or HCV applicants nearing the top of the HCV waiting list, the PBV application is considered received as of the date that a signed PBV Interest Form is returned to SMHA.

vii) Selection from the PBV Waiting List [24 CFR 983.251(C)]

- (1) Applicants who will occupy units with PBV assistance will be selected from the SMHA PBV Wait List.
- (2) When a PBV vacancy is anticipated, the top 3 appropriate PBV applicants from the PBV waiting list will be referred to the owner for screening. When identifying appropriate referrals, SMHA will select applicants that meet the targeting criteria for a specific address/unit and will only refer PBV applicants appropriate for the number of bedrooms in the anticipated vacancy. The HCV Subsidy Standards used for determining voucher size will be used when determining the appropriate unit size for a PBV applicant family (see section 6.0 of this Administrative Plan).
- (3) Wait list referrals to the PBV owner will remain active for consideration for a PBV vacancy for a period of 120 days from the date of selection from the wait list. Referred tenants will be screened by the owner and readied for occupancy. Upon notice from the owner that the highest ranking referral has met the owner's screening criteria, SMHA will finalize the Section 8 eligibility review process. If all 3 referrals fail to pass the owner's screening criteria, SMHA will refer the next 3 appropriate PBV applicants on the PBV waiting list.
- (4) An owner may continue to work on suitability screening for up to three families from the latest referral list in anticipation of any additional vacancies that may arise during the 120-day referral period. The SMHA will also continue the eligibility process for any family made ready by the owner.
- (5) If no unit is scheduled to be vacated by an existing tenant or there are no impending vacancies prior to the expiration of the 120-day period, all unassigned referrals will be returned to the project's PBV wait list.
- (6) If the SMHA referrals do not provide the owner with a suitable tenant for the unit and the wait list is exhausted, the owner may refer a Section 8 eligible individual or family to the SMHA's site-based PBV waiting list if it is open. The referred family must meet the SMHA's Section 8 eligibility criteria.

viii) Income Targeting [24 CFR 983.251(c)(6)]

- (1) At least 75 percent of the families admitted to the SMHA's tenant-based and project based voucher programs during the SMHA fiscal year from the waiting list will be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

ix) Units with Accessibility Features [24 CFR 983.251(c)(7)]

- (1) When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the SMHA must first refer families who require such features to the owner.

x) Preferences [24 CFR 983.251(d)]

- (1) The SMHA will use the same selection preferences that are used for the tenant-based voucher program. The preferences for the PBV program may differ slightly from the HCV program.
- (2) When vacancies exist in PBV units of a specific size (i.e., number of bedrooms) or in excepted units, the SMHA will select only qualified families of the correct family composition size according to the SMHA's subsidy standards for those units in the correct order from the waiting list.
- (3) Preference points are aggregated to produce the total preference points for each applicant. Applicants with the same total preference points will then be sorted by the method in which they were selected to be placed on the waiting list (i.e., date and time of application or order of random selection).
- (4) At the time of initial application, the applicant certifies as to whether or not it is eligible for a preference, and the SMHA will place the applicant on the waiting list according to the preference claimed. Before the family receives assistance, however, the SMHA must verify the family's eligibility for the preference based on current circumstances. If upon verification the SMHA determines that the family does not qualify for the preference claimed, the family does not receive the preference. In this situation, the SMHA will notify the applicant in writing that they do not qualify for the preference and will be returned to the waiting list with an update to the applicant record.
- (5) If the SMHA has buildings with more than 25 percent of the units receiving project-based assistance because those buildings include "excepted units" (units specifically made available for elderly or disabled families, or families receiving supportive services), the SMHA will give preference to such families when referring families to these units [24 CFR 983.261(b)].

xi) Offer of PBV Assistance

- (1) Refusal of Offer [24 CFR 983.251(e)(3)]

- (a) The SMHA is prohibited from taking, and will not take, any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:
  - (i) Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
  - (ii) Deny any admission preference for which the applicant qualifies;
  - (iii) Change the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the SMHA's selection policy;
  - (iv) Remove the applicant from the tenant-based voucher waiting list.

(2) Disapproval by Landlord [24 CFR 983.251(e)(2)]

- (a) If a PBV owner rejects a family for admission to the owner's units, such rejection may not affect the family's position on the tenant-based voucher waiting list provided they are existing HCV applicants and not Targeted Referrals from the owner's service partner; Targeted Referrals will only be placed on the PBV waiting list.

xii) Acceptance of Offer [24 CFR 983.252]

(1) Family Briefing

- (a) When a family accepts an offer for PBV assistance, the SMHA will give the family an oral briefing. The briefing will include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the SMHA will provide a briefing packet that explains how the SMHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

(2) Persons with Disabilities

- (a) If an applicant family's head or spouse is disabled, the SMHA will assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available. In addition, the SMHA will have a mechanism for referring a family that includes a member with mobility impairment to an appropriate accessible PBV unit.

(3) Persons with Limited English Proficiency

- (a) The SMHA will take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166.

xiii) Owner Selection of Tenants

- (1) The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-



income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection [24 CFR 983.253(b)].

(2) Leasing [24 CFR 983.253(a)]

(a) During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by the SMHA from the SMHA's PBV waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on the SMHA's subsidy standards.

(3) Filling Vacancies [24 CFR 983.254(a)]

- (a) The owner must promptly notify the SMHA of any vacancy or expected vacancy in a contract unit. After receiving such notice, the SMHA will make every reasonable effort to refer promptly a sufficient number of families for the owner to fill such vacancies. The SMHA and the owner will make reasonable efforts to minimize the likelihood and length of any vacancy.
- (b) The owner must notify the SMHA in writing (mail, fax, or e-mail) within seven calendar days of learning about any vacancy or expected vacancy.
- (c) The SMHA will make every reasonable effort to refer families to the owner within 14 calendar days of receiving such notice from the owner.
- (d) Vacancy Payments will be paid to the owner in accordance with terms of the HAP contract.

(4) Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(b)]

- (a) If any contract units have been vacant for 120 or more days since owner notice of the vacancy, the SMHA will give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period.
- (b) The SMHA will provide the notice to the owner within 14 calendar days of the 120th day of the vacancy. Unless the owner can give adequate reason for the SMHA not to reduce the number of contract units within 14 calendar days of the date of the SMHA's notice, the amendment to the HAP contract will be effective the 1st day of the month following the date of the SMHA's notice.

xiv) Tenant Screening [24 CFR 983.255]

(1) SMHA Responsibility

- (a) The SMHA is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. The SMHA will not conduct screening to determine a PBV applicant family's suitability for tenancy unless the applicant is to move into an SMHA-owned or managed unit. The SMHA

may deny applicants based on such screening.

- (b) The SMHA will inform owners of their responsibility to screen prospective tenants. Upon request, owners may request and the SMHA will provide specific information about the family being considered for tenancy. The SMHA will provide the following information:
    - (i) The family's current address as provided by the Applicant; and
    - (ii) The name and address, if known, of the owner/landlord of the family's current and prior places of residence.
  - (c) The SMHA will respond only to specific questions asked by owners and only when the SMHA has documentation to confirm the accuracy of the information being provided. The SMHA will provide applicant families a description of its policy on providing information to owners and give the same types of information to all owners.
- (2) Owner Responsibility
- (a) The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families, the owner may consider a family's background with respect to the following factors:
    - (i) Payment of rent and utility bills;
    - (ii) Caring for a unit and premises;
    - (iii) Respecting the rights of other residents to the peaceful enjoyment of their housing;
    - (iv) Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others; and
    - (v) Compliance with other essential conditions of tenancy.
  - (b) The owner must notify SMHA in writing within 14 calendar days when rejecting an applicant and give the grounds for such rejection.

#### h) PART VII: OCCUPANCY

##### i) Overview

- (1) After an applicant has been selected from the waiting list, determined eligible by the SMHA, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

##### ii) Lease [24 CFR 983.256]

- (1) The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.
- (2) Form of Lease [24 CFR 983.256(b)]
  - (a) The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be

used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

- (b) If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as an SMHA model lease.
  - (c) The SMHA will not review the owner's lease for compliance with state or local law.
- (3) Lease Requirements [24 CFR 983.256(c)]
- (a) The lease for a PBV unit must specify all of the following information:
    - (i) The names of the owner and the tenant;
    - (ii) The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
    - (iii) The term of the lease (initial term and any provision for renewal);
    - (iv) The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
    - (v) A specification of the services, maintenance, equipment, and utilities that will be provide by the owner; and
    - (vi) The amount of any charges for food, furniture, or supportive services.
  - (b) Tenancy Addendum [24 CFR 983.256(d)]
    - (i) The tenancy addendum in the lease must state:
      - 1. The program tenancy requirements;
      - 2. The composition of the household as approved by the SMHA (the names of family members and any SMHA-approved live-in aide);
      - 3. All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.
    - (ii) Initial Term and Lease Renewal [24 CFR 983.256(f) and 983.257(b)]
      - 1. The initial lease term must be for at least one year. Upon expiration of the lease, an owner may renew the lease, refuse to renew the lease for "good cause," or refuse to renew the lease without good cause. If the owner refuses to renew the lease without good cause, the SMHA will provide the family with a tenant-based voucher and remove the unit from the PBV HAP contract.
    - (iii) Changes in the Lease [24 CFR 983.256(e)]
      - 1. If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the SMHA a copy of all changes.
      - 2. The owner must notify the SMHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if

approved by the SMHA and in accordance with the terms of the lease relating to its amendment. The SMHA will re-determine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The re-determined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

(iv) Owner Termination of Tenancy [24 CFR 983.257]

1. With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program. In the PBV program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

(v) Non-Compliance with Supportive Services Requirement [24 CFR 983.257(c)]

1. If a family is living in a project-based unit that is excepted from the 25 percent per building cap on project-basing because of participation in a supportive services program (e.g., Family Self-Sufficiency), and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.

(vi) Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]

1. The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by SMHA policy. According to program requirements, the family’s assistance must be terminated if they are absent from the unit for more than 180 consecutive days.

(4) Security Deposits [24 CFR 983.258]

- (a) The owner may collect a security deposit from the tenant. The security deposit must not exceed the following:
  - (i) Unfurnished Unit: Two months contract rent (this includes any amount labeled as last month’s rent)
  - (ii) Furnished Unit: Three months contract rent (this includes any amount labeled as last month’s rent)
- (b) When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.
- (c) 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 used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

- (d) If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. The SMHA has no liability or responsibility for payment of any amount owed by the family to the owner.

### iii) Moves

#### (1) Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.259]

- (a) If the SMHA determines that a family is occupying a unit that is too small or too big, based on the SMHA'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, the SMHA will notify the family and the owner within 14 calendar days of the SMHA's determination of the family's need to move. The SMHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:
  - (i) PBV assistance in the same building or project;
  - (ii) PBV assistance in another project; and
  - (iii) Tenant-based voucher assistance.
- (b) If the SMHA offers the family a tenant-based voucher, the SMHA will terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by the SMHA).
- (c) When the SMHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 calendar 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, the SMHA will terminate the housing assistance payments at the expiration of this 30-day period.
- (d) The SMHA 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.

#### (2) Family Right to Move [24 CFR 983.260]

- (a) The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the SMHA. If the family wishes to move with continued tenant-based assistance, the family must contact the SMHA to request the rental assistance prior to providing notice to terminate the lease.

- (b) If the family terminates the lease in accordance with these requirements, the SMHA will offer the family the opportunity for continued tenant-based assistance, in the form of a Housing Choice Voucher. If a voucher is not immediately available upon termination of the family's lease in the PBV unit, the SMHA will give the family priority to receive the next available voucher.
  - (c) Placement and ranking on the list will be on a first come, first served basis.
  - (d) If the family terminates the assisted lease before the end of the first year, the family relinquishes the Housing Choice Voucher assistance.
- (3) Family Break-Up
- (a) In the event of a family break-up by divorce or legal separation, the family shall decide who remains in the assisted unit and report the change in household composition in writing to the SMHA. No further subsidy shall be provided to the departing spouse. The assistance generally remains with the family members who remain in the assisted unit.
  - (b) If family members are forced to leave the unit because of actual or threatened physical violence against family members by a spouse or other members of the household, the SMHA may terminate the HAP contract for the original assisted unit and transfer the assistance to the family members forced to leave. The actual or threatened physical violence must be documented. The documentation must include one of the following elements:
    - (i) A signed statement by the victim that provides the name of the perpetrator and certifies that the incidents in question are bona fide incidents of actual or threatened domestic violence, dating violence, or stalking, or
    - (ii) A police or court record documenting the actual or threatened abuse, or a statement signed by an employee, agent, or volunteer of a victim service provider; an attorney; a medical professional; or another knowledgeable professional from whom the victim has sought assistance in addressing the actual or threatened abuse. The professional must attest under penalty of perjury that the incidents in question are bona fide incidents of abuse, and the victim must sign or attest to the statement.
  - (c) The family must notify the SMHA, in writing, within 14 days of an action causing a family break-up and request a determination of the assignment of the assistance. The SMHA may schedule a meeting with the family members to discuss the assignment.
  - (d) In the event that the SMHA must determine which of the family members will continue to receive the Section 8 PBV assistance or retain placement on the waiting list(s) for PBV assistance, the SMHA determination will be made based on the following priorities:

- (i) In the absence of a judicial decision, or an agreement among the original family members, the SMHA will determine which family retains their placement on the waiting list or will continue to receive assistance taking into consideration the following factors: (1) the interest of any minor children, including custody arrangements, (2) the interest of any ill, elderly, or disabled family members, (3) any possible risks to family members as a result of domestic violence or criminal activity, and (4) the recommendations of social service professionals.
  - (ii) For excepted units, the qualifying family member will be entitled to the continuation of the rental assistance. The qualifying member is defined as the household member who does not interrupt their supportive services obligations. Any excepted unit in which the elderly or disabled household member is no longer in residence, the remaining household members will not be entitled to remain in the excepted unit.
- iv) Exceptions to the Occupancy Cap [24 CFR 983.261 As Amended By Hera]
  - (1) The SMHA will not pay housing assistance under a PBV HAP contract for more than 25 percent of the number of dwelling units in a project unless the units are [24 CFR 983.56]:
    - (a) In a single-family building;
    - (b) Specifically made available for elderly or disabled families; or
    - (c) Specifically made available for families receiving supportive services as defined by the SMHA. At least one member must be receiving at least one qualifying supportive service.
  - (2) If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received Family Self-Sufficiency (FSS) supportive services or any other service as defined by the SMHA and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.
  - (3) A family (or remaining members of a family) residing in an excepted unit that no longer meets the criteria for a “qualifying family” in connection with the 25 percent per project cap exception (e.g., the family does not successfully complete supportive services requirements, or due to a change in family composition the family is no longer elderly or disabled), must vacate the unit, and the SMHA will cease paying housing assistance payments on behalf of the non-qualifying family.
  - (4) If the family is moving to a non-excepted PBV unit, the family will have 60 days in which to complete the move. If the family will move with a Housing Choice Voucher, as is likely to be the case with a non-elderly or non-disabled surviving spouse, then the term of the voucher will apply. The SMHA may grant extensions

if the family can demonstrate good cause.

- (5) If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract. It is possible for the HAP contract to be amended to substitute a different unit in the building in accordance with program requirements; or the owner terminates the lease and evicts the family. The SMHA will terminate housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements.

i) PART VIII: DETERMINING RENT TO OWNER

i) OVERVIEW

- (1) The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.
- (2) During the term of the HAP contract, the rent to owner is re-determined at the owner's request in accordance with program requirements.

ii) Rent Limits [24 CFR 983.301]

- (1) Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:
  - (a) An amount determined by the SMHA, not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
  - (b) The reasonable rent; or
  - (c) The rent requested by the owner.

iii) Certain Tax Credit Units [24 CFR 983.301(c)]

- (1) For certain tax credit units wherein the tax credit rent may exceed the applicable Payment Standard, the rent limits are determined differently than for other PBV units. The SMHA will follow the rules and regulations promulgated by HUD and in effect at the time the HAP contract is executed.
- (2) Definitions
  - (a) A qualified census tract is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.
  - (b) Tax credit rent is the rent charged for comparable units of the same unit size



(i.e., number of bedrooms) in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

iv) Use of FMRs, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(f)]

- (1) When determining the initial rent to owner, the SMHA will use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When re-determining the rent to owner, the SMHA will use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. The SMHA will not use an earlier FMR for initial rent determination or for redeterminations.
- (2) Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.
- (3) For eligible units where the owner is participating in the Low Income Housing Tax Credit Program (LIHTC), PBV assisted units may utilize the utility allowance applicable to that property.

v) Redetermination of Rent [24 CFR 983.302]

- (1) The SMHA will re-determine the rent to owner upon the owner's request or when there is a 5 percent or greater decrease in the published FMR.
- (2) Rent Increase
  - (a) If an owner wishes to request an increase in the rent to owner from the SMHA, it must be requested 60 days prior to the annual anniversary of the HAP contract and include the requested amount of rent being proposed. The SMHA will only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).
  - (b) The SMHA will not approve any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner will not receive any retroactive increase of rent for any period of noncompliance.
- (3) Rent Decrease
  - (a) If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner will be decreased

regardless of whether the owner requested a rent adjustment.

- (b) Section 2835 (a) (1) (E) of the Housing and Economic Recovery Act of 2008, (HERA) amends Section 8 (o) (13) (I) of the U. S. Housing Act of 1937 to make permissive a HAP Contract provision that the maximum rent on a unit shall not be less than the initial rent. With the publication of HUD's final guidance on this issue, the SMHA shall limit rent reductions to the initial HAP rents.

(4) Notice of Rent Change

- (a) The rent to owner is re-determined by written notice by the SMHA to the owner specifying the amount of the re-determined rent. The SMHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.
- (b) The SMHA will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

vi) SMHA-owned Units [24 CFR 983.301(g)]

- (1) For SMHA-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. The SMHA will use the rent to owner established by the independent entity.

vii) Reasonable Rent [24 CFR 983.303]

- (1) At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit will not exceed the reasonable rent for the unit as determined by the SMHA.
- (2) When Rent Reasonable Determinations are Required
  - (a) The SMHA will re-determine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:
    - (i) There is a 5 percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
    - (ii) The SMHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;
    - (iii) The HAP contract is amended to add or substitute a different contract unit in the same building; or
    - (iv) There is any other change that may substantially affect the reasonable rent.
- (3) How to Determine Reasonable Rent
  - (a) The reasonable rent of a unit receiving PBV assistance will be determined by

comparison to rent for other comparable unassisted units. When making this determination, the SMHA will consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

(4) Comparability Analysis

- (a) For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that are receiving project-based assistance. The analysis will show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and will be retained by the SMHA. The comparability analysis may be performed by SMHA staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses will not have any direct or indirect interest in the property.

(5) SMHA-owned Units

- (a) For SMHA-owned units, the amount of the reasonable rent will be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity will provide a copy of the determination of reasonable rent for SMHA-owned units to the SMHA and to the HUD Buffalo field office.

(6) Owner Certification of Reasonable Rent

- (a) By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, the SMHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

viii) Effect of Other Subsidy And Rent Control

- (1) In addition to the rent limits, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not even eligible to receive PBV assistance.
- (2) Other Subsidy [24 CFR 983.304]
  - (a) At its discretion, the SMHA may reduce the initial rent to owner because of other governmental subsidies, including tax credit or tax exemption, grants, or other subsidized financing. For units receiving assistance under the HOME program, rents will not exceed rent limits as required by that program.
  - (b) For units in any of the following types of federally subsidized projects, the rent to owner will not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable

federal program:

- (i) An insured or non-insured Section 236 project;
- (ii) A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- (iii) A Section 221(d)(3) below market interest rate (BMIR) project;
- (iv) A Section 515 project of the Rural Housing Service;
- (v) Any other type of federally subsidized project specified by HUD.

(3) Combining Subsidy

- (a) Rent to owner will not exceed any limitation required to comply with HUD subsidy layering requirements.

(4) Rent Control [24 CFR 983.305]

- (a) In addition to the rent limits set by PBV program regulations, the amount of rent to owner also may be subject to rent control or other limits under local, state, or federal law. [Note: The City of Schenectady does not have rent control.]

j) PART IX: PAYMENTS TO OWNER

i) Housing Assistance Payments [24 CFR 983.351]

- (1) During the term of the HAP contract, the SMHA will make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments will be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment will be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the SMHA agree on a later date.
- (2) Except for vacancy payments, the SMHA will not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).
- (3) The amount of the housing assistance payment by the SMHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).
- (4) In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments and under the following conditions:
  - (a) Vacancy payments to the owner will be paid for up to two calendar months (based on a 30-day month) in an amount equal to the SMHA's HAP for the family that last occupied that unit.
  - (b) The owner is not eligible to receive any vacancy payments beyond the second calendar month after the unit becomes vacant.
  - (c) The owner is not eligible to receive any vacancy payments if the unit does not meet Housing Quality Standards as a result of the owner's negligence

and/or if the owner is receiving payments in lieu of rent/HAP from any other source (e.g., insurance company). If the owner is receiving payments in lieu of rent/HAP from any other source that does not include any of the sixty-day period permitted for vacancy payments and all other conditions for vacancy payments have been met, the owner shall be entitled to vacancy payments for the portion of the sixty day period not covered by the third party payments.

- (d) The owner will receive vacancy payments only if the vacancy is not the owner's fault and the owner has taken every feasible action to minimize the likelihood and length of the vacancy.

ii) Vacancy Payments [24 CFR 983.352]

- (1) If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. Vacancy payments also will be paid to the owner in accordance with the terms of the HAP contract and under the following conditions:
  - (a) Vacancy payments to the owner will be paid for up to two calendar months (based on a 30-day month) in an amount equal to the SMHA's HAP for the family that last occupied that unit.
  - (b) The owner is not eligible to receive any vacancy payments beyond the second calendar month after the unit becomes vacant.
  - (c) The owner is not eligible to receive any vacancy payments if the unit does not meet Housing Quality Standards and/or if the owner is receiving payments in lieu of rent/HAP from any other source (e.g., insurance company).
  - (d) The owner will receive vacancy payments only if the vacancy is not the owner's fault and the owner has taken every feasible action to minimize the likelihood and length of the vacancy.

iii) Tenant Rent to Owner [24 CFR 983.353]

- (1) The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the SMHA in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in the SMHA notice to the family and owner.
- (2) The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the SMHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the SMHA. The owner must immediately return any excess payment to the tenant.

(3) Tenant and SMHA Responsibilities

- (a) The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the SMHA.
- (b) Likewise, the SMHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The SMHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The SMHA will not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

iv) Utility Reimbursements

- (1) If the amount of the utility allowance exceeds the total tenant payment, the SMHA will pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.

v) Other Fees and Charges [24 CFR 983.354]

(1) Meals and Supportive Services

- (a) With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.
- (b) In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges will not be included in the rent to owner, nor will the value of meals and supportive services be included in the calculation of the reasonable rent. Non-payment of such charges, however, is grounds for termination of the lease by the owner in an assisted living development.

(2) Other Charges by Owner

- (a) The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

**26) SECTION 8 MODERATE REHABILITATION SINGLE ROOM OCCUPANCY PROGRAM (SRO)**

a) PROGRAM OVERVIEW

- i) The SRO program assists very low-income, single, homeless individuals in obtaining decent, safe, and sanitary housing in privately owned, rehabilitated buildings.
- ii) Nature of the Program
  - (1) Under the SRO program, HUD enters into annual contributions contracts (ACCs) with public housing agencies (PHAs) in connection with the moderate

rehabilitation of residential properties. These PHAs make Section 8 rental assistance payments to participating landlords on behalf of homeless individuals who rent the rehabilitated dwellings.

iii) Purpose

- (1) The purpose of the Section 8 Moderate Rehabilitation Program for Single Room Occupancy (SRO) Dwellings for Homeless Individuals is to provide rental assistance for homeless individuals in rehabilitated SRO housing. The Section 8 assistance is in the form of rental assistance payments. These payments equal the rent for the unit, including utilities, minus the portion of the rent payable by the tenant under the U.S. Housing Act of 1937 (42 U.S.C. 1437 *et seq*). The rental assistance payments generally cover the difference between a portion (usually 30 percent) of the tenant's adjusted income and the unit's rent, which must be within the fair market limit established by HUD.

iv) PHA Eligibility

- (1) HUD selects PHAs and private nonprofit organizations for funding on the basis of a national continuum of care competition, in which applicants must demonstrate a need for the assistance and the ability to undertake and carry out the SRO program. In their applications, applicants are required to identify the sponsors of proposed projects, specific structures to be rehabilitated, prospective sources of acquisition and/or rehabilitation financing, and a plan for providing supportive services for the homeless individuals in the units.

v) Legal Authority

- (1) Section 441 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11401). Regulations are found at 24 CFR part 882, subpart H.

vi) Administering Office

- (1) Office of Special Needs Assistance Programs (SNAPS) in the Office of Community Planning and Development, Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development.

b) BACKGROUND

- i) The Schenectady Municipal Housing Authority has executed two separate Housing Assistance Payment Contracts:
  - (1) YWCA of Schenectady
    - (a) The YWCA located at 44 Washington Avenue includes 8 SRO units under contract. Originally the program was administered by the New York State Division of Homes and Community Renewal (NY HCR). The original Annual Contributions contract became effective in 1993 and the first Housing

Assistance Payment Contract was effective on March 1, 1994. Effective September 1, 2012, the HAP contract was transferred from NY HCR to the Schenectady Municipal Housing Authority. The HAP contract is renewed on an annual basis.

(2) Capital District YMCA

- (a) In 1988, The Schenectady Municipal Housing executed an Annual Contributions Contract with the U.S. Department of Housing and Urban Development. Effective March 1, 1989, a HAP Contract was entered with the Schenectady County YMCA. The program included 41 SRO units and was located at 13 State St. In 2014 through the collaboration of various federal, state and local agencies as well as private sector partners, the Capital District YMCA completed rehabilitation of a new residence and community center at 845 Broadway. Effective July 1, 2014, a new HAP contract was executed between the Schenectady Municipal Housing Authority and the Capital District YMCA on behalf of the Development at Broadway, LLC. The new location also includes 41 units under contract.

c) APPLICABILITY

- i) While various aspects of this Section 8 Administrative Plan apply to the SRO program, this section only applies to the Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) Program for Homeless individuals. References to other Sections of this Plan are provided where applicable.

d) APPLICANT OUTREACH

- i) The Schenectady Municipal Housing Authority and each respective property owner/agent will undertake outreach efforts to homeless individuals so that they may be brought into the program. The outreach effort will include notification to emergency shelter providers and other organizations that could provide referrals of homeless individuals. The primary outreach mechanisms are as follows:
- (1) Interagency Resource Guides and Point of Contact Forms will be distributed to all emergency shelters and related service providers and updated as necessary.
  - (2) Schenectady Municipal Housing Authority staff as well as owner/agent staff will attend monthly Homeless Services Support Network (HSSN) meetings. The meetings are hosted by the YWCA of Schenectady and are attended by representatives of local shelters and service providers. The meetings serve as an opportunity to educate the service community about the SRO program and unit availability as well as coordinate the application and intake processes.

e) APPLICATION PROCESS

- i) The Schenectady Municipal Housing Authority will review all applications in order to verify applicant eligibility whether they are submitted directly or through the



owner/agent. Eligible applicants who apply when no vacancies exist will be placed on a waiting list maintained separately for each respective SRO program. The Owner is responsible for tenant selection within their own applicant pool based on their preference policies particularly with respect to the various forms of housing assistance available within each property. The owner/agent may refuse any family, provided that they do not unlawfully discriminate. However, the Owner must not deny program assistance or admission to an applicant based on the fact that the applicant is or has been a victim of domestic violence, dating violence, or stalking, if the applicant otherwise qualifies for assistance or admission.

- ii) Otherwise eligible applicants will also be subject to a criminal background investigation. The investigation will commence when an applicant is referred by the SRO property owner. The records check may provide sufficient evidence to take administrative action. If additional information is necessary, SMHA will ask the household to provide a Certificate of Disposition or work with the Department of Probation or Parole if applicable and/or the participant's legal representative.

f) ELIGIBLE APPLICANTS

- i) The following criteria must be met in order for an applicant to be deemed eligible for the SRO program:
  - (1) Very low-income
    - (a) As defined by HUD Annual Income Limits for the Albany-Schenectady-Troy MSA.
  - (2) Single;
  - (3) Homeless
    - (a) As defined by section 103 of the McKinney Act (42 U.S.C. 11302):
      - (i) An individual or family who lacks a fixed, regular, and adequate nighttime residence;
      - (ii) An individual with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
      - (iii) An individual living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including hotels and motels paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations, congregate shelters, and transitional housing);
      - (iv) An individual who resided in a shelter or place not meant for human habitation and who is exiting an institution where he or she temporarily resided;
      - (v) An individual who:

1. Will imminently lose their housing, including housing they own, rent, or live in without paying rent, are sharing with others, and rooms in hotels or motels not paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations, as evidenced by:
    - a. A court order resulting from an eviction action that notifies the individual or family that they must leave within 14 days;
    - b. The individual or family having a primary nighttime residence that is a room in a hotel or motel and where they lack the resources necessary to reside there for more than 14 days; or
    - c. Credible evidence indicating that the owner or renter of the housing will not allow the individual or family to stay for more than 14 days, and any oral statement from an individual or family seeking homeless assistance that is found to be credible shall be considered credible evidence for purposes of this clause;
  2. Has no subsequent residence identified; and
  3. Lacks the resources or support networks needed to obtain other permanent housing.
- (4) Capable of Independent Living;
- (5) United States Citizen or Eligible Non-Citizen.

g) INELIGIBLE APPLICANTS

i) Grounds for Denial

- (1) The following circumstances will result in the denial of an applicant:
- (a) The applicant's federally assisted housing tenancy has been terminated for drug-related criminal activity within the last three years.
  - (b) The applicant has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.
  - (c) The applicant is currently engaging in illegal use of a drug or that there is reasonable cause to believe that a household member's pattern of illegal use of a drug may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
  - (d) The PHA determines that it has reasonable cause to believe that an applicant's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

ii) Denial Process

- (a) If an Individual is determined to be ineligible either at the application stage or after assistance has been provided on behalf of the Individual, the PHA shall promptly notify the Individual by letter of the determination and the

reasons for it and the letter shall state that the Individual has the right within 14 days to request an informal hearing. If, after conducting such an informal hearing, the PHA determines, based on a preponderance of the evidence, that the Individual is ineligible, it shall notify the applicant or participant in writing.

h) APPLICANT BRIEFING

- i) When an Individual is initially determined to be eligible for housing assistance payments or is selected for participation in accordance with this section, the PHA must provide the Individual with information as to the Tenant Rent and the PHA's schedule of Utility Allowances. Each Family must also, either in group or individual sessions, be provided with a full explanation of the following:
  - (1) Individual and owner responsibilities under the Lease and Contract;
  - (2) Significant aspects of the applicable State and local laws;
  - (3) Significant aspects of Federal, State and local fair housing laws;
  - (4) The fact that the subsidy is tied to the unit and the Individual must occupy a unit rehabilitated under the Program;
  - (5) The Family's options under the Program should the Individual be required to move due to an increase in Family size; and
  - (6) For all Individuals to be temporarily relocated, the briefing must include a discussion of the relocation policies if applicable.

i) PARTICIPANT RESPONSIBILITY

- i) A participant receiving housing assistance under this Program must fulfill all of its obligations under the Lease and Statement of Family Responsibility. A participant agrees to the following provisions included in the Statement of Family Responsibility (HUD - 52578-A):
  - (1) To provide such income information and records as may be required in the administration of the program;
  - (2) To permit inspection of the dwelling unit at reasonable times after reasonable written notice;
  - (3) To give at least a 30 day notice to the PHA of the participant's intention to vacate the unit;
  - (4) To cooperate with the PHA in finding another unit where the individual is no longer eligible for the contract because of a change in family size;
  - (5) To not assign the lease or sublease the premises; and
  - (6) To not provided accommodations for boarders or lodgers.

j) TENANCY

- i) The participant will be required to enter a leasing agreement and execute the HUD required Lease Addendum (HUD – 52517-D).

ii) Termination of Tenancy

(1) Termination of tenancy must be carried out in accordance with the HAP Contract Exhibit C.

(a) Grounds for termination of or refusal to renew the lease. The Owner must not terminate or refuse to renew the lease except upon the following grounds:

- (i) Serious or repeated violation of the terms and conditions of the lease;
- (ii) Violation of applicable Federal, State or local law;
- (iii) Other good cause.

(b) Notice of termination of tenancy.

(i) The Owner must serve a written notice of termination of tenancy on the Family which states the date the tenancy shall terminate. Such date must be in accordance with the following:

- 1. When termination is based on failure to pay rent, the date of termination must be not less than five working days after the Family's receipt of the notice;
- 2. When termination is based on serious or repeated violation of the terms and conditions of the lease or on violation of applicable Federal, State or local law, the date of termination must be in accordance with State and local law;
- 3. When termination is based on other good cause, the date of termination must be no earlier than 30 days after the notice is served on the Family.

(ii) The notice of termination must:

- 1. State the reasons for such termination with enough specificity to enable the Family to prepare a defense;
- 2. Advise the Family that if a judicial proceeding for eviction is instituted, the tenant may present a defense in that proceeding;
- 3. Be served on the Family by sending a prepaid first class properly addressed letter (return receipt requested) to the tenant at the dwelling unit or by delivering a copy of the notice to the dwelling unit.

(c) Substitution of State and local requirements. In the case of failure to pay rent, a notice of termination which is issued pursuant to State or local law or is common practice in the locality and which satisfies paragraph (A)ii) may be substituted for or run concurrently with the notice required herein.

(d) Eviction. All evictions must be carried out through judicial process under State and local law. "Eviction" means the dispossession of the Family from the dwelling unit pursuant to State or local court action.

(e) In actions or potential actions to terminate tenancy, the Owner shall follow 24 CFR part 5, subpart L, in all cases where domestic violence, dating

violence, or stalking, or criminal activity directly related to domestic violence, dating violence, or stalking is involved or claimed to be involved.

k) DETERMINATION OF INCOME

- i) Section 9 of this Section 8 Administrative Plan shall apply to income determination both at the initial eligibility review and during annual reexaminations for the SRO Program.

l) VERIFICATION METHODS

- i) Section 10 of this Section 8 Administrative Plan shall apply to the verification process when determining initial and ongoing applicant eligibility for the SRO Program.

m) REEXAMINATION

i) Regular Reexaminations

- (1) The PHA will reexamine the income and composition of all Individuals every 12 months at the time of the annual anniversary date. After consultation with the Individual and upon verification of the information, the PHA will make appropriate adjustments in the Total Tenant Payment and determine whether the Individual's unit size is still appropriate. The PHA must adjust Tenant Rent and the Housing Assistance Payment to reflect any change in Total Tenant Payment. At the time of the annual reexamination of family income and composition, the PHA will require the family to disclose and verify Social Security Numbers. At the first initial certification the PHA shall follow the applicable HUD regulations concerning obtaining and processing evidence of citizenship or eligible immigration status of each.
- (2) Section 14 of this Section 8 Administrative Plan shall apply to the Annual Reexamination process for SRO participants.

ii) Interim Reexaminations

- (1) If the PHA receives information concerning a change in the Individual's income or other circumstances between regularly scheduled reexaminations, the PHA must consult with the Individual and make any adjustments determined to be appropriate. Any change in the Individual's income or other circumstances that results in an adjustment in the Total Tenant Payment, Tenant Rent, and Housing Assistance Payment must be verified.
- (2) Section 14 of this Section 8 Administrative Plan shall apply to the Interim Reexamination process for SRO participants.
- (3) Obligation to Supply Information
  - (a) The Individual must supply such certification, release, information or documentation as the PHA or HUD determine to be necessary, including submission of required evidence of citizenship or eligible immigration status,

submission of social security numbers and verifying documentation, submission of signed consent forms for the obtaining of wage and claim information from State Wage Information Collection Agencies, and submissions required for an annual or interim reexamination of family income and composition.

(4) Continuation of Housing Assistance Payments

- (a) An Individual's eligibility for Housing Assistance Payments shall continue until the Total Tenant Payment equals the Gross Rent. The termination of eligibility at such point will not affect the family's other rights under its lease, nor will such termination preclude the resumption of payments as a result of later changes in income, rents or other relevant circumstances during the term of the Contract. However, eligibility also may be terminated in accordance with HUD requirements for such reasons as failure to submit requested verification information, including failure to meet the disclosure and verification requirements for Social Security Numbers, or failure to sign and submit consent forms for the obtaining of wage and claim information from State Wage Information Collection Agencies.

n) MAINTENANCE

- i) The Owner must provide all the services, maintenance and utilities as agreed to under the HAP Contract, subject to abatement of housing assistance payments or other applicable remedies if the Owner fails to meet these obligations. In addition, the owner shall provide maintenance and services as indicated in the HUD required lease addendum (HUD – 52517-D):
- (1) The Owner shall maintain the dwelling unit, equipment, common areas, and facilities provided for the use and benefit of the Family in compliance with applicable Standards;
  - (2) The Owner shall respond in a reasonable time to calls by the Family for services consistent with the obligations under the Lease. Where applicable (*as in the case of multi-unit buildings*), the maintenance with respect to common areas, facilities and equipment shall include cleaning; maintenance of lighting and equipment; maintenance of grounds, lawns and shrubs; and removal of snow and ice;
  - (3) Extermination services and repainting shall be provided by the Owner as conditions may require.

o) INSPECTION

- i) It is required that the owner/landlord or property manager be present for the entire duration of any Housing Quality Standard (HQS) inspections performed by the Schenectady Municipal Housing Authority. The HQS inspector will not enter a building or apartment to inspect if the owner/landlord or property manager is not

present. This policy applies to HQS inspections performed for any reason, including tenant caused deficiencies.

- ii) The Schenectady Municipal Housing Authority will conduct inspections for every unit under contract at the following times in order to ensure that contract units are decent, safe and sanitary:

- (1) After the owner/agent has selected a new applicant and the Schenectady Municipal Housing Authority has confirmed their eligibility for participation, the Housing Authority will conduct an inspection prior to the execution of the initial lease agreement;
- (2) Annually around the time of the annual reexamination;
- (3) At the request of the participant or the owner;
- (4) Under special circumstances that warrant investigation.

- p) Units not Decent, Safe and Sanitary

- i) If the PHA notifies the Owner that the unit(s) under Contract are not being maintained in decent, safe and sanitary condition and the Owner fails to take corrective action (including corrective action with respect to the Individual where the condition of the unit is the fault of the Individual) within the time prescribed in the notice, the PHA may exercise any of its rights or remedies under the Contract, including abatement of housing assistance payments (even if the Individual continues in occupancy), termination of the Contract on the affected unit(s) and assistance to the Individual.

- q) TERMINATION OF ASSISTANCE

- i) The Schenectady Municipal Housing Authority will terminate participant's assistance under the following circumstances:
  - (1) A participant is illegally using a drug or when the PHA determines that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;
  - (2) If the PHA determines that a participant has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing;
  - (3) A participant is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor;
  - (4) A participant is violating a condition of probation or parole imposed under Federal or State law; or
  - (5) A participant fails to meet their responsibilities under the Lease, the Statement of Family Responsibility.

- ii) Termination Process
  - (1) The process described in Section j)(2) will also apply when a Termination of Assistance is initiated.
- r) TEMPORARY RELOCATION
  - i) The following policies cover residential tenants who will not be required to move permanently but who must relocate temporarily for the project. Such tenants will be provided the following by the owner:
    - (1) Reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation;
    - (2) Appropriate advisory services, including reasonable advance written notice of:
      - (a) The date and approximate duration of the temporary relocation;
      - (b) The location of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period;
      - (c) The terms and conditions under which the tenant may lease and occupy a suitable, decent, safe, and sanitary dwelling in the project upon completion; and
      - (d) The assistance required under paragraph 25.b)i)(4) of this Plan.
- s) VIOLENCE AGAINST WOMEN ACT POLICY
  - i) Section 24 of this Section 8 Administrative Plan describes the Violence Against Women Act Policy of the Schenectady Municipal Housing Authority which applies to the SRO Program.
- t) COMPLIANCE MONITORING
  - i) The Schenectady Municipal Housing Authority and the owner/agents under contract are subject to various statutory requirements, federal regulations, the terms of the Housing Assistance Payment Contract, and this policy.
  - ii) HUD Compliance Monitoring
    - (1) HUD will review program operations at such intervals as it deems necessary to ensure that the Owner and the PHA are in full compliance with the terms and conditions of the Contract and the ACC. Equal Opportunity review may be conducted with the scheduled HUD review or at any time deemed appropriate by HUD. The Schenectady Municipal Housing Authority and the owner/agents will make available to HUD documentation necessary to verify ongoing compliance with the applicable Program requirements.
  - iii) Schenectady Municipal Housing Authority Compliance Monitoring
    - (1) The following mechanisms will be employed by the Housing Authority in order to ensure the ongoing compliance of the owner/agent with respect to the



applicable federal requirements, contractual obligations and provisions of supportive services:

- (a) Physical inspections as described in Section 25.15 of this Plan;
- (b) Initial intake interviews with each applicant that includes a review of the application and documentation gathered by the owner/agent;
- (c) Annual interviews with each participant at the time of reexamination;
- (d) Periodic interagency meetings;
- (e) Annual on-site participant file and policy review.

## 27) GLOSSARY

- a) **1937 Housing Act:** The United States Housing Act of 1937 [42 U.S.C. 1437 et seq.)
- b) **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]
- c) **Adjusted Annual Income:** The amount of household income, after deductions for specified allowances, on which tenant rent is based.
- d) **Administrative fee:** Fee paid by HUD to the housing authority for the administration of the program.
- e) **Administrative Plan:** The plan that describes housing authority policies for the administration of the tenant-based programs.
- f) **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).
- g) **Adult:** A household member who is 18 years or older or who is the head of the household, or spouse, or co-head.
- h) **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 allowance can be given at the discretion of the housing authority.
- i) **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.
- j) **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.

- k) **Annual Income:** All amounts, monetary or not, that:
  - i) Section 24 of this Section 8 Administrative Plan describes the Violence Against
  - ii) Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or
  - iii) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
  - iv) Are not specifically excluded from Annual Income.
  - v) Annual Income also includes amounts derived (during the 12-month period) from assets to which any member of the family has access.
- l) **Applicant (applicant family):** A family that has applied for admission to a program but is not yet a participant in the program.
- m) **Assets:** see net family assets.
- n) **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.
- o) **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.
- p) **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.
- q) **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.
- r) **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.
- s) **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.

- t) **Citizen:** A citizen or national of the United States.
- u) **Common space:** In shared housing: Space available for use by the assisted family and other occupants of the unit.
- v) **Congregate housing:** Housing for elderly or persons with disabilities that meets the HQS for congregate housing.
- w) **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 participant to determine eligibility or level of benefits.
- x) **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.
- y) **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.
- z) **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.
- aa) **Domicile:** The legal residence of the household head or spouse as determined in accordance with State and local law.
- bb) **Decent, safe, and sanitary:** Housing is decent, safe, and sanitary if it satisfies the applicable housing quality standards.
- cc) **Department:** The Department of Housing and Urban Development.

- dd) **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.
- ee) **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 and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.
- ff) **Disabled family:** A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.
- gg) **Disabled person:** See "person with disabilities."
- hh) **Displaced family:** A family in which each member, or whose sole member, is a person displaced by governmental action (such as urban renewal), or a person 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.
- ii) **Displaced person:** A person displaced by governmental action (such as urban renewal), or a person 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.
- jj) **Drug related criminal activity:** Illegal use or personal use of a controlled substance, and the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use, of a controlled substance.
- kk) **Drug trafficking:** The illegal manufacture, sale, or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance.
- ll) **Elderly family:** A family whose head, spouse, or sole member is a person who is at least 62 years of age; or two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.
- mm) **Elderly person:** A person who is at least 62 years of age.

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

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

pp) **Extremely low-income families:** A very low-income family whose annual income does not exceed the higher of:

- i) The poverty guidelines established by the Department of Health and Human Services applicable to the family of the size involved (except in the case of families living in Puerto Rico or any other territory or possession of the United States); or
- ii) Thirty (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 area median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

qq) **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.).

rr) **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.

ss) **Family** includes but is not limited to:

- i) 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);
- ii) An elderly family;
- iii) A near-elderly family;
- iv) A disabled family;
- v) A displaced family;
- vi) The remaining member of a tenant family; and
- vii) A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

tt) **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.

- uu) **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).
- vv) **Family share:** The portion of rent and utilities paid by the family.
- ww) **Family unit size:** The appropriate number of bedrooms for a family as determined by the housing authority under the housing authority's subsidy standards.
- xx) **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.
- yy) **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.
- zz) **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.
- aaa) **Gross rent:** The sum of the rent to the owner plus any utilities.
- bbb) **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).
- ccc) **Head of household:** The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.
- ddd) **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.
- eee) **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.
- fff) **Housing quality standards (HQS):** The HUD minimum quality standards for housing

assisted under the Section 8 program.

ggg) **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.

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

iii) **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.

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

kkk) **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.

lll) **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.

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

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

ooo) **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.

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

qqq) **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.

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

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

sss) **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)

ttt) **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.

uuu) **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.

vvv) **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.

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

xxx) **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:

- i) 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
- ii) Repair or replace major building systems or components in danger of failure.

yyy) **Monthly adjusted income:** One twelfth of adjusted income.

zzz) **Monthly income:** One twelfth of annual income.

aaaa) **Mutual housing** is included in the definition of "cooperative".

bbbb) **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.



cccc) **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.

dddd) **Net Family Assets**

- i) Net cash value after deducting reasonable costs that would be incurred in disposing 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.
- ii) 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.
- iii) 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.

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

ffff) **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.

gggg) **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.

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

iiii) **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).

jjjj) **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. The Housing Authority may approve a payment standard up to 120% of FMR as a Reasonable Accommodation for a disabled person in order to provide them with equal access to the program. Payment standards in excess of 120% of FMR require HUD approval.

kkkk) **Person with disabilities:** A person who:

- i) Has a disability as defined in Section 223 of the Social Security Act:
  - (1) "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
  - (2) 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."
- ii) 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
- iii) Has a developmental disability as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act.
  - (1) "Severe chronic disability that:
    - (a) Is attributable to a mental or physical impairment or combination of mental and physical impairments;
    - (b) Is manifested before the person attains age 22;
    - (c) Is likely to continue indefinitely;
    - (d) 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, (5) self-direction, (6) capacity for independent living, and (7) economic self-sufficiency; and
    - (e) 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."
- iv) 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.
- v) No individual shall be considered to be a person with disabilities for purposes of eligibility solely based on any drug or alcohol dependence.

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

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

nnnn) **Private space:** In shared housing: The portion of a contract unit that is for the

exclusive use of an assisted family.

oooo) **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.

pppp) **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.

qqqq) **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.

rrrr) **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.

ssss) **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 certificate or voucher, and provides program assistance to the family.

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

uuuu) **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.

vvvv) **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.

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

xxxx) **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.

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

zzzz) **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.

aaaaa) **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.

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

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

ddddd) **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.

eeee) **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.

fffff) **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.

ggggg) **Suspension:** Stopping the clock on the term of a family's certificate or 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.

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

iiii) **Tenant rent:** The amount payable monthly by the family as rent to the owner minus any

utility allowance.

jjjjj) **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.

kkkkk) **Tolling:** see suspension.

lllll) **Total tenant payment (TTP):**

- i) Total tenant payment is the amount calculated under Section 3(a)(1) of the 1937 Act. which is the higher of:
  - (1) 30% of the family's monthly adjusted income;
  - (2) 10% of the family's monthly income;
  - (3) Minimum rent; or
  - (4) 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.
  - (5) 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.

mmmmm) **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.

nnnnn) **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.

ooooo) **Utility reimbursement:** The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total tenant payment for the family occupying the unit.

ppppp) **Verification:**

- i) 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).

ii) 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 birth certificate or bank statement;
- (3) Family certification or declaration (only used when third-party or documentation verification is not available).

qqqqq) **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]*

rrrrr) **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.

sssss) **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.

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

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

vvvvv) **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)]*

wwwww) **Welfare rent:** In "as-paid" welfare programs, the amount of the welfare benefit designated for shelter and utilities.

## 28) ACRONYMS

- a) Annual Contributions Contract
- b) CACC Consolidated Annual Contributions Contract
- c) CFR Code of Federal Regulations
- d) FMR Fair Market Rent
- e) FSS Family Self Sufficiency (program)
- f) HA Housing Authority
- g) HAP Housing Assistance Payment
- h) HCV Housing Choice Voucher

- i) HCDA Housing and Community Development Act
- j) HQS Housing Quality Standards
- k) HUD Department of Housing and Urban Development
- l) INS (U.S.) Immigration and Naturalization Service
- m) NAHA (Cranston-Gonzalez) National Affordable Housing Act
- n) NOFA Notice of Funding Availability
- o) OMB (U.S.) Office of Management and Budget
- p) PBC Project-Based Certificate (program)
- q) QHWRA Quality Housing and Work Responsibility Act of 1998
- r) PHA Public Housing Agency
- s) SMHA Schenectady Municipal Housing Authority
- t) SRO Single Room Occupancy
- u) TTP Total Tenant Payment

END OF DOCUMENT