

DRAFT

CITY OF PADUCAH KENTUCKY

Administrative Plan 2018 Housing Choice Voucher Program

KY-137



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As Adopted by the City of Paducah Board of Commissioners
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TABLE OF CONTENTS – City of Paducah Administrative Plan 2018 HCV Program

INTRODUCTION	4
ELIGIBILITY AND OBLIGATIONS	4
Eligibility Determination	4
Selection of Program Participants, Local Preferences	5
Income Targeting Selection Criteria	5
Eligibility Reservation	5
Criminal Background Checks-	6
Citizenship and Eligible Immigration Status	6
Verifying Income and Determining & Gross Family Contribution -	6
Social Security and Supplemental Security Income Verification	7
Family Obligations	7
Interim Adjustments	8
Family Information Provided to Owners	8
Violence Against Women (VAWA) and Department of Justice Reauthorization Act of 2005	8
HOUSING STANDARDS AND INSPECTIONS	12
Housing Quality Standards and Inspection Procedures	12
Housing Quality Standards (Approval of Unit Size Family Selects)	13
Unit Size Selection by Family	13
Occupancy Standards	14
Disapproval of Owner	14
Annual Re-examinations	15
Continued Assistance after Family Break-Up	15
Special Housing Types & Standards	15
RENT, UTILITY ALLOWANCE STANDARDS	25
Minimum Rent	25
Rent Reasonableness - Housing Choice Voucher Program	25
Security Deposit	26
Payments	26
Payment Standard	26
Contract Rent Adjustments	26
Utility Allowances	26
Portability - Voucher Program	26
TERMINATION & GRIEVANCES	26

Grounds for Denial or Termination of Assistance to Applicants and Participants	26
Termination of Tenancy	27
Grievance Procedures	27
Complaints and Appeals	29
Absence from Unit	29
Restriction on the Number of Moves by a Participant Family	29
PROGRAMS	30
Conversion HCV's	30
VASH	30
Supported Programs (SP)	30
Family Self-Sufficiency Program	30
HCV Homeownership Program	34
Homeownership Option 10 Year Asset Exclusion	39
Project-Based Voucher Program	40
ADMINISTRATION & EVALUATION	42
Responsibilities of the PHA	42
Program Management Roles	42
Outreach	43
Briefing Families, Issuing Housing Choice Vouchers	43
Administrative Fee Reserve Expenditures	43
Monitoring Program Performance	43
Purged Files	44
Fair Housing Policy and Equal Opportunity Housing Plan	44
Limited English Proficient (LEP) Policy	45
Reduction of Families Due to Reduced Funding	48
MANAGEMENT ASSESSMENT OBJECTIVES	49

INTRODUCTION

Mission Statement:

Our goal is to provide decent, safe and sanitary rental housing for eligible families and to provide opportunities, promote self-sufficiency and economic independence for Section 8 participants.

To achieve this mission, we will:

- Recognize residents as our ultimate customer
- Through effective and efficient management
- Seek problem-solving partnerships with residents, landlords, community and government leadership

The purpose of this administrative plan is to establish guidelines for staff to follow in determining eligibility for Section 8 programs. The basic guideline for this plan is governed by the requirements of the U.S. Department of Housing and Urban Development (HUD) with latitude for local policies and procedures. The policies and procedures governing admissions and continued occupancy are outlined in the plan and these requirements are binding upon applicants, residents, landlords and this Public Housing Agency (PHA), known as the Paducah Section 8 office. Notwithstanding the above, changes in applicable federal law or regulations shall supersede provisions in conflict with this policy.

Federal Regulations shall mean those found in Section 24 CFR (Code of Federal Regulations).

ELIGIBILITY AND OBLIGATIONS

Eligibility Determination

This PHA, Paducah Section 8 office, will use a simple pre-application form as suggested by HUD that will enable us to make a preliminary determination of eligibility. Complete applications of eligible families (Family is described as: A person or group of persons, as determined by the PHA consistent with 24 CFR 5.403, approved to reside in a unit with assistance under the program) will be arranged by date and time of application.

Eligibility Criteria:

A. A qualifying family is described as:

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 single person, who may be an elderly person, displaced person, disabled person, near-elderly person or any other single person; or
2. A group of persons residing together and such group includes, but is not limited to:
 - a. A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
 - b. An elderly family;
 - c. A disabled family;
 - d. A displaced family; and/or
 - e. The remaining member of a tenant family.

B. Applicant must be of the very low income status as established by HUD reflecting 50% of the median income. Annual income (gross income) is compared to income limits published by the Federal Register.

Selection of Program Participants, Local Preferences

This PHA, Paducah Section 8 office, will utilize the following weighted local preferences in the classification of families and placement on the waiting list. Priority will be given utilizing a point system and organized on the waiting list by time and date of application in the following order in coordination with the income targeting criteria as follows:

- A. (20 points) Eligible victims of domestic violence with appropriate certification in regards to the "Violence Against Women and Department of Justice Reauthorization Act of 2005" or current legislation regarding violence against women.
- B. (15 points) Eligible applicants who are currently enrolled or enrolled to be full-time students (minimum. 12 credit hours per semester) at an institution of higher learning in pursuit of a degree or specialty program and are seeking self-sufficiency.
- C. (10 points) Federally Declared Disaster Families or locally displaced by governmental action - A family displaced by a federally declared disaster. Housing Choice Voucher participants or Public Housing residents from the disaster area will receive preference over non-assisted disaster families.
- D. (5 points) Previously assisted eligible families that have been terminated by the PHA due to reduced federal funding.
- E. (3 points) Working families (at least one person employed a minimum of 25 hours per week or receiving an equivalent pay of minimum federal wage times 25 weekly), disabled or elderly families and families certified for homeowner assistance.
- F. All other eligible families followed by (G).
- G. Single, non-elderly, non-disabled.

Income Targeting Selection Criteria

A minimum of **75% of all new admissions** during any fiscal year will have incomes **at or below 30% of area median income** as established by HUD and published in Federal Register.

Eligibility Reservation

- A. No person owing money to this Agency or any other federally funded housing program shall be deemed eligible for a Section 8 Housing Assistance.
- B. Applicants who were past participants in the Section 8 Program may be determined ineligible if it is determined that the applicant either:
 1. Failed to satisfy liability for unpaid rent or damages.
 2. Vacated the unit in violation of their lease.
 3. Failed to promptly and/or honestly supply information relating to income, allowable deductions and family compensations.
 4. Intentional and willfully abused the program.
 5. Was abusive or threatening to Section 8 workers.
- C. In determining whether or not an applicant shall be determined ineligible and in determining the length of the ineligibility, the Program Administrator shall consider factors such as:
 1. The seriousness of the offense.
 2. The applicant's current attitude.
 3. The length and time that has lapsed since the offense.
- D. Applicants and current Section 8 participants will be deemed ineligible for Rental Assistance because of family members that engage in drug-related criminal activities on or off the premises.
- E. This Agency will deny or terminate assistance based on the following:

1. The felonious manufacture, sale or distribution or the possession with intent to manufacture, sell or distribute of a controlled substance [as defined in Section 102 of the Controlled Substance Act (21U.S.C. 802)]
2. The felonious use or possession of a controlled substance.
3. Illegal drug use or pattern of illegal drug use that may interfere with the safety or welfare of other tenants.
4. Abuse of alcohol or pattern of such abuse that may interfere with the safety or welfare of other tenants.
5. Violent criminal activity includes any felonious 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. Felonious is described as criminal activity classified as a felony under Federal, State or Local Laws.
6. Any criminal activity that threatens the safety or welfare of other residents.
7. Manufacture or producing of methamphetamine (will receive a lifetime ban)
8. Family member fleeing to avoid prosecution or custody or confinement after conviction for a felony or high misdemeanor
9. Sex offenders subject to a lifetime sex offender registration

Considerations in Denials and Termination-

- a. This Agency, Paducah Section 8 office, will deny or terminate assistance if the preponderance of the evidence indicates that a Family member has engaged in such activity regardless of whether the Family member has been arrested or convicted.
- b. This Agency will consider all circumstances in each case i.e. seriousness of offense, extent of Family member participation, effects of denial or termination on other Family members, etc.
- c. This Agency shall give the applicant or participant an opportunity for an informal hearing procedure.
- d. This Agency will deny assistance to applicants who have been evicted from public housing or terminated from assisted housing within the past 3 years for drug related activities, except for the manufacture or producing of methamphetamine on the premise of the assisted unit which will permanently deny eligibility for assisted housing.

Criminal Background Checks-

Each applicant will be screened for criminal conviction records by reviewing police, court records, probation and parole records and/or landlord references. These records will be used only for applicant screening and termination purposes and will be destroyed once the purpose of their use is completed.

Applicants rejected because of criminal records will be given a copy of the record and opportunity to dispute its accuracy and relevance.

Citizenship and Eligible Immigration Status

This PHA, Paducah Section 8 office, will obtain and verify evidence of citizenship and eligible immigration status as required by HUD regulations implementing statutory restrictions on assisted occupancy by certain noncitizens.

Verifying Income and Determining & Gross Family Contribution -

- A. This PHA, Paducah Section 8 office, will verify income and gross family contribution as follows:

1. PIH Enterprise Income Verification System (EIV) to be utilized per HUD regulations in 24CFR 5.233
 2. Third party verification
 3. Review documents
 4. Notarized statements and/or self-declaration of attributed income
- B. Every calculation will be checked by two staff members and spot checked by the Administrator at random intervals.

Social Security and Supplemental Security Income Verification

This PHA, Paducah Section 8 office, will require verification of SS and SSI income from each applicable participant and applicant by the provision of documents that indicate benefit amounts.

Upon receipt of SS/SSI Benefit History Report from HUD, we will review the applicable tenant income history and notify the tenant of any discrepancy found that would adversely affect the amount of housing assistance provided. The tenant will be given an opportunity to contest the findings through the normal informal hearing process.

If after verifying that tenants received excessive housing assistance by not reporting all of their income, the PHA will use various enforcement actions depending on the cost and benefits of the technique selected. Options selected include, but are not limited to:

- Immediate Restitution
- Repayment Agreement
- Retroactive Rent
- Garnishment of Wages
- Prosecution
- Termination of Assistance

The PHA will use a confessed judgment note when immediate restitution or repayment agreement action is instituted.

All Tenant Income Discrepancy Reports used as a control for recording resolution of SS/SSI income differences will be maintained for two years and destroyed.

Family Obligations

The family shall:

- ✓ Notify the PHA before vacating the dwelling unit.
- ✓ Supply such certification, release information or documentation as PHA or HUD determines to be necessary in the administration of the program including use by the PHA for a regularly scheduled re-examination of family income and composition in accordance with HUD requirements.
- ✓ Allow the PHA to inspect the dwelling unit at reasonable times and after reasonable notice.
- ✓ Use the dwelling unit solely for a residence by the family, and as the family's principal place of residence.

The family shall not:

- ✗ Own or have any interest in the dwelling unit (other than in a manufactured home assisted under regulations or a member of a cooperative).
- ✗ Assign the lease or transfer the unit.
- ✗ Commit any fraud in connection with the Section 8 Housing Program.
- ✗ Receive assistance under the Section 8 Housing Program while occupying or receiving assistance for occupancy of another unit assisted under any Federal Housing Assistance Program (including any other Section 8 Program).

Interim Adjustments

Families participating in the Section 8 Housing Program or this PHA are required to report any changes of family composition, increases or decreases in medical (elderly) or child care expenses, increases or decreases in family income during each contract year as they occur. The EIV system will be utilized at each interim adjustment to determine income discrepancies.

Family Information Provided to Owners

This PHA, Paducah Section 8 office, will provide the following information to owners (upon request) regarding a prospective tenant:

- The family's current address
- The name and address (if known) of the family's present landlord
- Information known about tenancy's history of family members and/or documented drug or violent criminal activity by family members.
- The PHA will provide families a statement of policy on the provision of information to owners. The same type of information will be provided to all owners and families.

Violence Against Women (VAWA) and Department of Justice Reauthorization Act of 2005

On January 5, 2006, President Bush signed into law the "Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109-162). The law became effective that same day. In addition to reauthorizing many programs at the Department of Justice, the bill reauthorizes and expands provisions of the Violence Against Women Act (VAWA), which was originally enacted in 1994.

The law defines domestic violence as "felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other adult person against a victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction receiving grant monies." Dating violence, sexual assault, and stalking are included in the definition of domestic violence.

The most significant affect the law has on Section 8 participants and applicants for rental assistance is that an individual's status as a victim of domestic violence, dating violence, sexual assault or stalking is NOT an appropriate basis for denial of assisted housing. The new law does NOT change existing eligibility and continuing occupancy requirements.

Domestic Violence victims must still otherwise qualify for admission to and continuing participation in assisted housing programs.

This PHA, Paducah Section 8 office, is committed to these victims, as well as members of their immediate family, and to compliance with the VAWA law and will expand the applicant preference include victims of dating violence, sexual assault and stalking. The PHA will require a certification as to the incident(s). See Exhibit C.

This PHA, Paducah Section 8 office, shall keep all information and certification(s) obtained by the PHA about a victim's status confidential. The information will not be entered into any shared database or provided to any related entity. However, the PHA may disclose the information if the victim requests or consents to the disclosure in writing; the information is required for use in termination proceedings

related to whether the incident or incidents in question qualify as a serious or repeated violation of the lease or criminal activity directly relating to domestic violence, dating violence or stalking; or is otherwise required by law.

The following offenses are grounds for denial or termination of assistance for applicant/participant:

- a. Criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of the tenancy or occupancy rights, if the tenant or immediate member of the tenant's family is a victim of that domestic violence, dating violence, sexual assault or stalking;
- b. Notwithstanding subparagraph a above, a PHA or owner under this section may bifurcate a lease under this section, in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant;
- c. Nothing in subparagraph a may be construed to limit the authority of a PHA or owner, 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 in cases where a family breaks up;
- d. Nothing in subparagraph a limits any otherwise available authority of a PHA to terminate participant assistance for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant's household, provided that the PHA does not subject an individual who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate;
- e. Nothing in paragraph a may be construed to limit the authority of a PHA or owner to terminate the tenancy of any tenant if the PHA or owner can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant's tenancy is not terminated; and
- f. Nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, sexual assault, or stalking.
- g. The PHA shall not terminate or refuse to renew the voucher due to an incident or incidents of actual or threatened domestic violence, dating violence, or stalking. These incidents will not be construed as a serious or repeated violation of the Housing Choice Voucher program by the victim or threatened victim of that violence and will not be good cause for terminating the Voucher of the victim of such violence.

**CERTIFICATION OF
DOMESTIC VIOLENCE,
DATING VIOLENCE,
SEXUAL ASSAULT, OR STALKING,
AND ALTERNATE DOCUMENTATION**

**U.S. Department of Housing
and Urban Development**

OMB Approval No. 2577-0286
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Purpose of Form: The Violence Against Women Act (“VAWA”) protects applicants, tenants, and program participants in certain HUD programs from being evicted, denied housing assistance, or terminated from housing assistance based on acts of domestic violence, dating violence, sexual assault, or stalking against them. Despite the name of this law, VAWA protection is available to victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

Use of This Optional Form: If you are seeking VAWA protections from your housing provider, your housing provider may give you a written request that asks you to submit documentation about the incident or incidents of domestic violence, dating violence, sexual assault, or stalking.

In response to this request, you or someone on your behalf may complete this optional form and submit it to your housing provider, or you may submit one of the following types of third-party documentation:

- (1) A document signed by you and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, “professional”) from whom you have sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of “domestic violence,” “dating violence,” “sexual assault,” or “stalking” in HUD’s regulations at 24 CFR 5.2003.
- (2) A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or
- (3) At the discretion of the housing provider, a statement or other evidence provided by the applicant or tenant.

Submission of Documentation: The time period to submit documentation is 14 business days from the date that you receive a written request from your housing provider asking that you provide documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking. Your housing provider may, but is not required to, extend the time period to submit the documentation, if you request an extension of the time period. If the requested information is not received within 14 business days of when you received the request for the documentation, or any extension of the date provided by your housing provider, your housing provider does not need to grant you any of the VAWA protections. Distribution or issuance of this form does not serve as a written request for certification.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking shall be kept confidential and such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections to you, and such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

**TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE,
DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING**

1. Date the written request is received by victim: _____

2. Name of victim: _____

3. Your name (if different from victim's): _____

4. Name(s) of other family member(s) listed on the lease: _____

5. Residence of victim: _____

6. Name of the accused perpetrator (if known and can be safely disclosed): _____

7. Relationship of the accused perpetrator to the victim: _____

8. Date(s) and times(s) of incident(s) (if known): _____

10. Location of incident(s): _____

In your own words, briefly describe the incident(s):

This is to certify that the information provided on this form is true and correct to the best of my knowledge and recollection, and that the individual named above in Item 2 is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature _____ Signed on (Date) _____

Public Reporting Burden: The public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. The information provided is to be used by the housing provider to request certification that the applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking. The information is subject to the confidentiality requirements of VAWA. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget control number.

HOUSING STANDARDS AND INSPECTIONS

Housing Quality Standards and Inspection Procedures

Each housing unit occupied by an assisted participant under this Program must meet Housing Quality Standards. This will be determined by the use of HUD Inspection Form 52580.

An inspection will be performed on each prospective unit within 15 calendar days following request. The Paducah Section 8 office shall inspect assisted dwelling units under contract not less than biennially.

To maximize efficiency and ensure an acceptable level of service, the Paducah Section 8 office may assign inspections to be conducted by staff or a contracted inspector that is trained to conduct such inspections in accordance with HQS.

It is the intent of this Agency to assure that each unit meets performance and acceptability requirements in order to meet the requirement of decent, safe, and sanitary housing. This will be achieved by adhering to quality control guidelines set forth in HUD Inspection Manual and following inspection procedures:

The Inspector receives a request for inspection from the Paducah Section 8 office. The inspection request might be for:

A. Pre-lease inspection.

The Program Administrator may have a tenant who has a unit that is questionable under the Section 8 Program and may want a pre-lease inspection made. The Program Administrator will make an appointment with the tenant and landlord to conduct a pre-lease inspection using the Housing Quality Standards.

The Section 8 Program Administrator and Inspector must follow the Housing Quality Standards with special regard to the plumbing and electrical systems. When inspecting a unit the Inspector will look beyond the obvious new cosmetic remodeling. A unit may look clean and nicely decorated but present subliminal health and safety guard.

B. Initial Inspections.

The Program Administrator or Inspector fill in the initial information on the inspection sheet and contact the tenant to schedule the inspection. The Housing Quality Standards and local codes must be met to insure the unit is decent, safe and sanitary.

While conducting the inspection it is the responsibility of the Inspector to note the unit's present condition listing any deficiencies that need correction.

After the inspection is completed, the unit will be classified as one of the following:

1. Approved.
2. Conditionally Approved, contingent upon repairing the identified deficiencies within a specified time.
3. Unapproved.

C. Re-exam Inspection.

The PHA will conduct an inspection of a client's unit to determine that the dwelling continues to meet the approved standards. When a tenant is up for a re-examination inspection, the Paducah Section 8 office will notify the resident and landlord to schedule an inspection. The procedure for this inspection uses the same guidelines as an Initial Inspection.

D. Follow-up Inspection.

If a unit has been inspected and is conditionally approved, contingent upon seasonal repairs (e.g. painting exterior of unit in adverse weather conditions), the landlord is given a due date in which to complete the identified deficiencies.

After the repair due date has expired, a follow-up inspection is made. If the repairs have been completed and are acceptable, the Inspector will classify the unit as approved. If the repairs are in progress, an extension of time may be given at the discretion of the Inspector. The Inspector will consider the degree of progress and the quality of the work at that point.

If repairs have not been initiated, the owner will be in Violation of their Contract with the PHA and will be notified of the termination of Contract. The resident will be issued another Voucher to find housing elsewhere within 60 days.

E. Move-Out Inspections.

When a tenant leaves a unit that is under Contract with the Section 8 Program, whether it is due to transfer to another unit, termination of the lease, skip out, or an eviction, an optional move-out inspection may be requested by the landlord or tenant. The Paducah Section 8 office will write-up the inspection sheet and contact the tenant and/or landlord to schedule the inspection. The inspector will conduct the inspection. Notations are made on the move-out form and compared to the HUD Inspection Booklet, the Program Administrator's move-in sheet, and any follow-up comments in the tenant's file. This comparison guards against tenants being charged for any damage that was incurred from previous occupants.

The Section 8 Program Administrator and Inspector after each inspection make copies of the report for the Section 8 file, the tenant file, and for the landlord records. In cases where the units are acceptable contingent upon repairs, a cover letter including the tenant's name, the due date for completion of repairs and the Program Administrator's and Inspector's names are attached to the landlord's inspection report. The lease is the negotiated while the deficiencies are being repaired.

When a unit is declared unacceptable, the Program Administrator and the Inspectors determine structural and/or major repairs that are required to make the unit decent, safe, and sanitary. The unit must comply with the Housing Quality Standards before the lease and contract can be negotiated.

Housing Quality Standards (Approval of Unit Size Family Selects)

- A. Unit must provide adequate space and security for the family (minimum standards).
- B. Unit must contain a living room, kitchen area, and a bathroom.
- C. Must be at least one bedroom or living/sleeping room of appropriate size for each two persons.
- D. A single parent with a child under the age of six (6) may share the same bedroom.
- E. Exterior doors and windows accessible from outside unit must be lockable.
- F. PHA may not prohibit family from renting unit with fewer bedrooms than number on Voucher as long as it meets regular HQS requirements.

Unit Size Selection by Family

Vouchers may select a **larger** unit than listed on the voucher; however

- a. Family subsidy will be based on the applicable payment standard for which the family is eligible, not to exceed a tenant payment greater than 40% of the tenant's adjusted income.
- b. Utility allowance is given for the actual unit size selected.

Vouchers may select **smaller** unit than listed on voucher.

- a. Unit must meet HQS space standards.
- b. Subsidy would be based on unit size for which the family is eligible.
- c. Utility allowance is given for the actual unit size selected.

Occupancy Standards

A. **Policies and procedures of the PHA:** Applications will be taken and eligibility determined by the PHA, following notices through the news media of the availability of housing assistance for eligible families. Applications will be processed on a first-come, first-serve basis following selection procedures (see Section 3) without regard to age, race, color, national origin, religion, sex, familial status, disability, sexual orientation or gender identity.

Eligibility will be certified to families in conformance with the following:

Standards Used to Issue Housing Choice Vouchers		
Certification Size	Minimum	Maximum
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	4	6
4 Bedrooms	6	8

Standards Used to Determine Acceptability of Unit Size	
Unit Size	Minimum Occupancy Assuming Living Room Used as Living/Sleeping Area
0 Bedroom	1
1 Bedroom	4
2 Bedrooms	6
3 Bedrooms	8
4 Bedrooms	10

B. **Occupancy Standards Exceptions:** Applicants may be given an exception to the established occupancy standards if determination is justified by the age, sex, health, disability, or relationship of family members or other individual circumstances. An exception will be considered if the applicant requests in writing stating the reasons and justification of such an exception based on the above factors. The Director of Planning will make the final determination of occupancy exceptions and document each case accordingly.

Disapproval of Owner

The PHA will disapprove owner participation based on (1) owner history of failing to terminate tenancy for drug related or violent criminal activity or other threatening activity (2) owner engaging in drug related or violent criminal activity.

Annual Re-examinations

All families will be re-examined at least annually to determine if they will continue to receive assistance and to recalculate total tenant payment and assistance payments. The family is required to provide verification of family income, composition, medical expenses (elderly), and unusual expenses.

The recalculation of Housing Assistance Payments will be performed following the applicable method of the program. Any increase or decrease in the family's portion of rental payments will be calculated and notice will be sent to the landlord and participant in writing before the effective date of change.

Continued Assistance after Family Break-Up

The PHA shall determine which family members will continue to receive assistance after a family break-up. The head of household, spouse or any adult member of the household must notify the PHA that there has been a family break-up and continued assistance is being requested. The assisted family member making the request must submit the request in writing to the PHA and request a determination. The request must be made within 10 calendar days of the break-up. The PHA will consider the following factors in making this determination:

Assisted Unit: Whether the assistance should remain with family members remaining in the original assisted unit.

Interest of Family Members: The interest of minor children or of ill, elderly or disabled family members.

Physical Violence: Whether family members are forced to leave the unit as a result of actual or threatened physical violence against family members by a spouse or other member of the household.

The PHA will issue a determination within 10 calendar days of receipt of the request for a determination. The person requesting the determination may request an Informal Hearing in accordance with the PHA established procedures if they disagree with the determination of the PHA.

NOTICE - If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the PHA is bound by the court's determination of which family members continue to receive assistance in the program.

Special Housing Types & Standards

Overview

- A. Special housing types. There are 6 special housing types:
 - Single room occupancy (SRO) housing
 - Congregate housing
 - Group home
 - Shared housing
 - Cooperative (including mutual housing)
 - Manufactured home
- B. PHA choice to offer special housing type. The PHA may permit a family to use any of the following special housing types in accordance with requirements of the program: single room occupancy housing, congregate housing, group home, shared housing or cooperative housing. In general, the PHA is not required to permit use of any of these special housing types in its

- program. The PHA must permit use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8.
- C. Family choice of housing and housing type. The PHA may not set aside program funding for special housing types, or for a specific special housing type. The family chooses whether to rent housing that qualifies as a special housing type under this subpart, or as any specific special housing type, or to rent other eligible housing in accordance with requirements of the program. The PHA may not restrict the family's freedom to choose among available units in accordance with Sec. 982.353.
- D. Applicability of requirements. Except as modified by this section, requirements in the other sections of this plan apply to the special housing types. Provisions in this section only apply to that specific special housing type. The housing type is noted in the title of each section.

Single Room Occupancy (SRO) - Sec. 982.602

General.

A single person only may reside in an SRO housing unit. The SRO housing unit may only be used if:

- HUD determines there is significant demand for SRO units in the area;
- The PHA approves providing assistance for SRO housing under the program; and
- The PHA certifies to HUD that the property meets applicable local health and safety standards for SRO housing.

For SRO housing, there is a separate lease and HAP contract for each assisted person.

Payment standard. For a person residing in SRO housing, the payment standard is 75 percent of the zero-bedroom payment standard amount on the PHA payment standard schedule. For a person residing in SRO housing in an exception area, the payment standard is 75 percent of the HUD-approved zero-bedroom exception payment standard amount.

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

HQS standards for SRO. The HQS in this plan apply to SRO housing. However, the standards in this section apply in place of the sanitary facilities, food preparation and refuse disposal, and space and security standards. Since the SRO units will not house children, the housing quality standards concerning lead-based paint, do not apply to SRO housing.

SRO Performance requirements. SRO housing is subject to the additional performance requirements for sanitary facilities, space and security, access, and sprinkler system standards below.

Sanitary facilities in an SRO, and space and security characteristics must meet local code standards for SRO housing. In the absence of applicable local code standards for SRO housing, the following standards apply:

- At least one flush toilet that can be used in privacy, lavatory basin, and bathtub or shower, in proper operating condition, must be supplied for each six persons or fewer residing in the overall SRO housing.
- If SRO units are leased only to males, flush urinals may be substituted for not more than one-half the required number of flush toilets. However, there must be at least one flush toilet in the building.
- Every lavatory basin and bathtub or shower must be supplied at all times with an adequate quantity of hot and cold running water.

- All of these facilities must be in proper operating condition, and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approvable public or private disposal system.
- Sanitary facilities must be reasonably accessible from a common hall or passageway to all persons sharing them. These facilities may not be located more than one floor above or below the SRO unit. Sanitary facilities may not be located below grade unless the SRO units are located on that level.

Space and security requirements in an SRO.

- No more than one person may reside in an SRO unit.
- An SRO unit must contain at least one hundred ten square feet of floor space.
- An SRO unit must contain at least four square feet of closet space for each resident (with an unobstructed height of at least five feet). If there is less closet space, space equal to the amount of the deficiency must be subtracted from the area of the habitable room space when determining the amount of floor space in the SRO unit. The SRO unit must contain at least one hundred ten square feet of remaining floor space after subtracting the amount of the deficiency in minimum closet space.
- Exterior doors and windows accessible from outside an SRO unit must be lockable.

Access requirements in an SRO.

- Access doors to an SRO unit must have locks for privacy in proper operating condition.
- An SRO unit must have immediate access to two or more approved means of exit, appropriately marked, leading to safe and open space at ground level, and any means of exit required by State and local law.
- The resident must be able to access an SRO unit without passing through any other unit.

Sprinkler system requirements in an SRO.

A sprinkler system that protects all major spaces, hard wired smoke detectors, and such other fire and safety improvements as State or local law may require must be installed in each building. The term "major spaces" means hallways, large common areas, and other areas specified in local fire, building, or safety codes.

Congregate Housing - Sec. 982.606 of 24 CFR 982

An elderly person or a person with disabilities may reside in a congregate housing unit. However, if approved by the PHA, a family member or live-in aide may reside with the elderly person or person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Additional standards apply concerning occupancy by a live-in aide.

For congregate housing, there is a separate lease and HAP contract for each assisted family.

Rent and housing assistance payment.

Without a live-in aide:

- For a family residing in congregate housing, the payment standard is the zero-bedroom payment standard amount on the PHA payment standard schedule. For a family residing in congregate housing in an exception area, the payment standard is the HUD-approved zero-bedroom exception payment standard amount.
- However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family residing in congregate housing is the one-bedroom payment standard amount.

With a live-in aide, the live-in aide must be counted in determining the family unit size.

Housing quality standards for congregate housing. Sec. 982.609

HQS standards for congregate housing. The HQS in this plan apply to congregate housing. However, the standards in this section apply in place of the food preparation and refuse disposal standards. Congregate housing is not subject to the HQS acceptability requirement that the dwelling unit must have a kitchen area.

Food preparation and refuse disposal: Additional performance requirements. The following additional performance requirements apply to congregate housing:

- a. The unit must contain a refrigerator of appropriate size.
- b. There must be central kitchen and dining facilities on the premises. These facilities:
 - ✓ Must be located within the premises, and accessible to the residents;
 - ✓ Must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner;
 - ✓ Must be used to provide a food service that is provided for the residents, and that is not provided by the residents; and (iv) Must be for the primary use of residents of the congregate units and be sufficient to accommodate the residents.
- c. There must be adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where necessary.

Group Home - Sec. 982.610

An elderly person or a person with disabilities may reside in a State-approved group home.

- (a) If approved by the PHA, a live-in aide may reside with a person with disabilities.
- (b) The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with additional standards concerning occupancy by a live-in aide.

Except for a live-in aide, all residents of a group home, whether assisted or unassisted, must be elderly persons or persons with disabilities.

Persons residing in a group home must not require continual medical or nursing care.

Persons who are not assisted under the tenant-based program may reside in a group home.

No more than 12 persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

For assistance in a group home, there is a separate HAP contract and lease for each assisted person.

A group home must be licensed, certified, or otherwise approved in writing by the State (e.g., Department of Human Resources, Mental Health, Retardation, or Social Services) as a group home for elderly persons or persons with disabilities.

Rent and housing assistance payment.

Meaning of pro-rata portion. For a group home, the term "pro-rata portion," means the ratio derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any PHA-approved live-in aide.

Rent to owner: Reasonable rent limit. The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

The reasonable rent for a group home is determined in accordance with Sec. 982.503. In determining reasonable rent for the group home, the PHA must consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private facilities.

Unless there is a live-in aide, the family unit size is zero or one bedroom.

If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of:

- The payment standard for the family unit size; or
- The pro-rata portion of the payment standard for the group home size.

Over-FMR tenancy: Payment standard. For an over-FMR tenancy, the payment standard for a person who resides in a group home is the lower of:

- The FMR/exception rent limit for the family unit size; or
- The pro-rata portion of the FMR/exception rent limit for the group home size.

Utility allowance in a Group Home. The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

Housing quality standards in a Group Home. Sec. 982.614

Compliance with HQS. The PHA may not give approval to reside in a group home unless the unit, including the portion of the unit available for use by the assisted person under the lease, meets the following housing quality standards.

The HQS in this plan apply to assistance in a group home. However, the standards in this section apply in place of the sanitary facilities, food preparation and refuse disposal, space and security, structure and materials, and site and neighborhood.

The entire unit must comply with the HQS.

Group Home performance requirements. Group home housing is subject to the additional performance requirements for sanitary facilities, food preparation and service, space and security, structure and material, and site and neighborhood:

Sanitary facilities in a Group Home

- There must be a bathroom in the unit. The unit must contain, and an assisted resident must have ready access to:
 - A flush toilet that can be used in privacy;
 - A fixed basin with hot and cold running water; and
 - A shower or bathtub with hot and cold running water.
- All of these facilities must be in proper operating condition, and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approvable public or private disposal system.
- The unit may contain private or common sanitary facilities. However, the facilities must be sufficient in number so that they need not be shared by more than four residents of the group home.
- Sanitary facilities in the group home must be readily accessible to and usable by residents, including persons with disabilities.

Food preparation and service in a Group Home

- The unit must contain a kitchen and a dining area. There must be adequate space to store, prepare, and serve foods in a sanitary manner.

- Food preparation and service equipment must be in proper operating condition. The equipment must be adequate for the number of residents in the group home. The unit must contain the following equipment:
 - ✓ A stove or range, and oven;
 - ✓ A refrigerator; and
 - ✓ A kitchen sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.
 - ✓ There must be adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where necessary.
- The unit may contain private or common facilities for food preparation and service.
- Space and security.
 - ✓ The unit must provide adequate space and security for the assisted person.
 - ✓ The unit must contain a living room, kitchen, dining area, bathroom, and other appropriate social, recreational or community space. The unit must contain at least one bedroom of appropriate size for each two persons.
 - ✓ Doors and windows that are accessible from outside the unit must be lockable.

Structure and material for a Group Home

- The unit must be structurally sound to avoid any threat to the health and safety of the residents, and to protect the residents from the environment.
- Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, loose surface materials, severe buckling or noticeable movement under walking stress, missing parts or other significant damage. The roof structure must be firm, and the roof must be watertight. The exterior or wall structure and exterior wall surface may not have any serious defects such as serious leaning, buckling, sagging, cracks or large holes, loose siding, or other serious damage. The condition and equipment of interior and exterior stairways, halls, porches, walkways, etc., must not present a danger of tripping or falling. Elevators must be maintained in safe operating condition.
- The group home must be accessible to and usable by a resident with disabilities.

Site and neighborhood for a Group Home.

The site and neighborhood must be reasonably free from disturbing noises and reverberations and other hazards to the health, safety, and general welfare of the residents. 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, sewage hazards or mud slides, abnormal air pollution, smoke or dust, excessive noise, vibrations or vehicular traffic, excessive accumulations of trash, vermin or rodent infestation, or fire hazards. The unit must be located in a residential setting.

Shared Housing

Shared housing: Occupancy. Sec. 982.615

Sharing a unit. An assisted family may reside in shared housing. In shared housing, an assisted family shares a unit with the other resident or residents of the unit. The unit may be a house or an apartment.

Who may share a dwelling unit with assisted family?

- a. If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable

- accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See Sec. 982.316 concerning occupancy by live-in-aide.
- b. Other persons who are assisted under the tenant-based program, or other persons who are not assisted under the tenant-based program, may reside in a shared housing unit.
 - c. The owner of a shared housing unit may reside in the unit. A resident owner may enter into a HAP contract with the PHA. However, housing assistance may not be paid on behalf of an owner. An assisted person may not be related by blood or marriage to a resident owner.

For assistance in a shared housing unit, there is a separate HAP contract and lease for each assisted family.

Rent and housing assistance payment for shared housing Sec. 982.617

Meaning of pro-rata portion. For shared housing, the term "pro-rata portion," means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five bedroom unit, the ratio would be 3/5.

Rent to owner: Reasonable rent.

The rent to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit.

- (b) The reasonable rent is determined in accordance with Sec. 982.503.

Maximum subsidy.

Voucher Tenancy: The payment standard is the lower of:

- ✓ The payment standard for the family unit size; or
- ✓ The pro-rata portion of the payment standard for the shared housing unit size.

Live-in aide. If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

Utility allowance for shared housing

The utility allowance for an assisted family residing in shared housing is the prorated portion of the utility allowance for the shared housing unit.

Housing quality standards for shared housing - Sec. 982.618

- Compliance with HQS. The PHA may not give approval to reside in shared housing unless the entire unit, including the portion of the unit available for use by the assisted family under its lease, meets the housing quality standards.
- Applicable HQS standards. The HQS in Sec.982.401 apply to assistance in shared housing. However, the HQS standards in this section apply in place of Sec. 982.401(d) (space and security).
- Facilities available for family. The facilities available for the use of an assisted family in shared housing under the family's lease must include (whether in the family's private space or in the common space) a living room, sanitary facilities in accordance with Sec. 982.401(b), and food preparation and refuse disposal facilities in accordance with Sec.982.401(c).

Space and security Performance requirements for shared housing

- The entire unit must provide adequate space and security for all its residents (whether assisted or unassisted).
- Each unit must contain private space for each assisted family, plus common space for shared use by the residents of the unit. Common space must be appropriate for shared use by the residents.
- The private space for each assisted family must contain at least one bedroom for each two persons in the family. The number of bedrooms in the private space of an assisted family may not be less than the family unit size.
- A zero or one bedroom unit may not be used for shared housing.

Cooperative Housing. Sec. 982.619

When cooperative housing may be used. A family may reside in cooperative housing if the PHA determines that:

- ✓ Assistance under the program will help maintain affordability of the cooperative unit for low-income families; and
- ✓ The cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

Rent to owner.

The reasonable rent for a cooperative unit is determined in accordance with Sec. 982.503. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. The carrying charge includes the member's share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down-payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose.

Gross rent is the carrying charge plus any utility allowance.

The occupancy agreement/lease and other appropriate documents must provide that the monthly carrying charge is subject to Section 8 limitations on rent to owner.

Housing assistance payment. The amount of the housing assistance payment is determined in accordance with subpart K of this part.

Live-in aide.

If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See Sec. 982.316 concerning occupancy by a live-in aide.

If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

Manufactured Home

Applicability of requirements. Sec. 982.620

Assistance for resident of manufactured home.

A family may reside in a manufactured home with assistance under the program.

The PHA must permit a family to lease a manufactured home and space with assistance under the program.

The PHA may provide assistance for a family that owns the manufactured home and leases only the space. The HA is not required to provide such assistance under the program.

Applicability.

The HQS in Sec. 982.621 always apply when assistance is provided to a family occupying a manufactured home (under paragraph (a)(2) or (a)(3) of this section).

Sections 982.622 to 982.624 only apply when assistance is provided to a manufactured home owner to lease a manufactured home space.

Live-in aide.

- If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide, if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See Sec. 982.316 concerning occupancy by a live-in aide.
- If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

Housing quality standards for a manufactured home - Sec. 982.621

A manufactured home must meet all the HQS performance requirements and acceptability criteria in Sec. 982.401. A manufactured home also must meet the following requirements:

- (1) Performance requirement. A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.
- (2) Acceptability criteria. A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

Space Rental for a manufactured home: Rent to owner - Sec. 982.622

What is included?

Rent to owner for rental of a manufactured home space includes payment for maintenance and services that the owner must provide to the tenant under the lease for the space.

Rent to owner does not include the costs of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

Reasonable rent.

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined in accordance with this section. Section 982.503 is not applicable.

The PHA may not approve a lease for a manufactured home space until the PHA determines that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the HA must re-determine that the current rent to owner is a reasonable rent.

The PHA must determine whether the rent to owner for the manufactured home space is a reasonable rent in comparison to rent for other comparable manufactured home spaces. To make this determination, the PHA must consider the location and size of the space, and any

services and maintenance to be provided by the owner in accordance with the lease (without a fee in addition to the rent).

By accepting each monthly housing assistance payment from the PHA, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. The owner must give the HA information, as requested by the PHA, on rents charged by the owner for other manufactured home spaces.

Space rental for a manufactured home: Housing assistance payment. Sec. 982.623

Fair market rent. The FMR for a manufactured home space is determined in accordance with 24 CFR 888.113(e). Exception rents do not apply to rental of a manufactured home space.

Housing assistance payment for a manufactured home:

Payment standard. The payment standard is used to calculate the monthly housing assistance payment for a family. The payment standard for a family renting a manufactured home space is the published FMR for rental of a manufactured home space. The amount of the payment standard is determined in accordance with Sec. 982.SOS (d)(4) and (d)(S).

Subsidy calculation. The amount of the monthly housing assistance payment for a family equals the lesser of paragraphs (c)(2)(1) or (c)(2)(ii) of this section:

An amount obtained by subtracting 30 percent of the family's monthly adjusted gross income from the sum of:

- The amortization cost;
- (B) The utility allowance; and
- (C) The payment standard.

The monthly gross rent for the manufactured home space minus the minimum rent. The minimum rent is the higher of:

- 10 percent of monthly income (gross income);or
- (B) A higher minimum rent as required by law.

Amortization cost.

The amortization cost may include debt service to amortize costs (other than furniture costs) included in the purchase price of the manufactured home. The debt service includes the payment for principal and interest on the loan. The debt service amount must be reduced by 15 percent to exclude debt service to amortize the cost of furniture, unless the PHA determines that furniture was not included in the purchase price.

(b) The amount of the amortization cost is the debt service established at time of application to a lender for financing purchase of the manufactured home if monthly payments are still being made. Any increase in debt service due to refinancing after purchase of the home is not included in the amortization cost

(c) Debt service for set-up charges incurred by a family that relocates its home may be included in the monthly amortization payment made by the family. In addition, set-up charges incurred before the family became an assisted family may be included in the amortization cost if monthly payments are still being made to amortize such charges.

(S) Annual income. In determining a family's annual income, the value of equity in the manufactured home owned by the assisted family, and in which the family resides, is not counted as a family asset.

Space Rental for a manufactured home: Utility allowance schedule. Sec. 982.624

The PHA must establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances must include a reasonable amount for utility hook-up charges payable by the family if the family actually incurs the expenses because of a move. Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place. Utility allowances for manufactured home space must not cover costs payable by a family to cover the digging of a well or installation of a septic system.

RENT, UTILITY ALLOWANCE STANDARDS

Minimum Rent

The minimum rent of the Agency is \$50.00. Hardship request may be made in writing by the participant for the following circumstances:

1. if a family has lost eligibility for or is awaiting determination for a federal, state or local assistance program
2. if the family would be subject to eviction as a result of the minimum rent requirement
3. if the income of the family has decreased resulting from changed circumstances, including loss of employment
4. if a family has an increase in expenses resulting from changed circumstances for medical costs, childcare, transportation, education, or similar situations
5. if a death occurs in household

When this Agency grants a waiver of minimum rent due to hardship the participant must re-verify hardship situation each month if situation is of a temporary nature. Long term hardship situation are to be verified at reexamination.

Rent Reasonableness - Housing Choice Voucher Program

Under the voucher program, Paducah Section 8 office will provide guidance to the family in securing a unit that is rent reasonable. We will assist the family, if requested, to negotiate a reasonable rent. We may disapprove a lease under the voucher program if the rent causes the tenant payment to exceed 40% of adjusted income or if the rent is not reasonable. Documentation of such will be presented to the owner of said property for an attempt to negotiate a reasonable rent.

Reasonable Rent rates will be ascertained by comparing rent for other comparable unassisted units. To assure reasonable rental rates, Paducah Section 8 office will consider the location, quality, size, unit type, and age of the unit plus any amenities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease. The PHA will certify and document on a case-by-case basis that the approved rent does not exceed rents charged for comparable unassisted units. The bottom line is that the Paducah Section 8 office will evaluate each unit and ascertain that the rent the assisted family pays is a fair price for the product received. After comparing all applicable data in the Paducah-McCracken County market, the following question will be asked: If you were in the market to lease a unit, would you be willing to spend your own money to lease this unit in this location? If the answer is yes and there is adequate documentation to support the decision, the lease should be approved. If the person performing the rent test cannot support the rent request (including that they believe the unit to be worth the amount requested and their willingness to answer yes to the above question) the lease will not be approved.

Security Deposit

The security deposit charged to program participants shall be established by the owner/agent of the rental property not to exceed deposits typically charged in the private market.

Payments

All Housing Assistance Payments (HAP) checks on current contracts will be disbursed to the landlord and all utility checks dispersed to the resident by the 5th working day of each month.

Payment Standard

The applicable Payment Standard (PS) for the HCV program shall be established at the HUD published Fair Market Rent (FMR). Payment Standards shall be reviewed each year in order to determine if the established levels are appropriate to meet the needs of participants based on rent burdens and success rates of assisted families.

Contract Rent Adjustments

Under the Voucher Program, the owner must not increase the rent during the first year of the lease. In order to increase the rental rate, the owner must give the family and the Paducah Section 8 office written notice at least 60-days before the implementation of the rent increase. The notice must state the new amount and the date the new rental amount is due. Such increases must meet the Rent Reasonableness standard.

Utility Allowances

The utility allowance schedule for the Section 8 Program will be reviewed yearly and adjusted accordingly to insure participant affordability. The utility allowance calculation will be based on the size of the families' Housing Choice Voucher issued, not the actual size of unit unless the actual unit size is less.

Portability - Voucher Program

Under the voucher program, the participants are entitled to portability of their voucher. Portability will be addressed as follows:

- A. Section 8 Housing will require reasonable notice (30 days) of the tenant's intent to transfer their certification.
- B. All information concerning the receiving agency must be provided by the participant.
- C. All efforts will be made to exchange certification with the receiving agency.
- D. If the participant is leased they must fulfill a minimum 12 month lease period and cannot port if in violation of present lease.
- E. If adequate funds are not available, the PHA will deny portability moves if the receiving PHA's payment standard is greater than the local payment standard and the PHA refuses to absorb the transfer.

TERMINATION & GRIEVANCES

Grounds for Denial or Termination of Assistance to Applicants and Participants

Types of denial

1. Denial of admission to applicant.
2. Denial of issuance of another voucher to participant who wants to move to another dwelling unit.
3. Declining to enter into a PHA contract.

4. Declining to approve a lease where requested by participant.

Condition of denial

Applicant or participant currently owes rent or other amounts to the PHA or another PHA in connection with Section 8 or Public Housing (listed in family obligations).

Termination of assistance

1. PHA must terminate assistance if family is evicted for serious or repeated lease violations or violations of participant obligations.
2. PHA must terminate or deny assistance if participant refuses to sign consent forms.

Termination of Tenancy

- A. The owner shall not terminate the tenancy of the (evict) family, except for:
 1. Serious or repeated violation of the terms and conditions of the lease.
 2. Violation of Federal, State, or local law which imposes obligations on the family in common with the occupancy and use of the dwelling unit and surrounding premises.
 3. Other good cause shown.
- B. The owner may evict (terminate the tenancy) the family from the contracted unit only by instituting a court action. The owner must notify the Paducah Section 8 office in writing of the commencement of proceedings for termination of tenancy, at the same time that the owner gives notice to the family under State or local law. The notice to the PHA may be given by furnishing the PHA a copy of the notice given to the family.

Grievance Procedures

A. Informal review of PHA decision regarding participation in the program.

1. The PHA shall give an applicant for participation in the Paducah's Section 8 Housing Program prompt written notice of a decision denying assistance to the applicant, including a decision to deny placement on the PHA waiting list for the Housing Choice Voucher Program. The notice of denial shall contain a brief statement of the reason for the decision. The notice shall also state that the applicant may request an informal review of the decision, and shall describe how to request the informal review.
2. The PHA shall give the applicant an opportunity for an informal review of the decision, in accordance with the review procedures established by the PHA. The informal review shall be conducted by any person or persons designated by the PHA, other than the person who made the decision or anyone involved in the review of such decision. The applicant shall be given an opportunity to present written or oral objections to the PHA decision. The PHA shall promptly notify that applicant in writing of the final outcome of the informal review, including a brief statement of the reasons for the final decision.
3. The PHA is **not** required to provide an opportunity for an informal review in accordance with paragraph (a) for the following:
 - Discretionary administrative determinations made by the Paducah Section 8 office.
 - General policy issues or class grievances.
 - Determination of the number of bedrooms entered on the voucher under the occupancy standards established by the PHA.
 - Judgement that a unit located by a voucher holder does not comply with the PHA's Housing Quality Standards, or the PHA's decision not to approve the lease for the unit.
 - Decision by the Paducah Section 8 office not to approve a request by a voucher holder for an extension of the term of the voucher.

B. Informal hearing on PHA decision affecting participant's family.

1. In the following instances, the Paducah Section 8 office shall give a participant in the Section 8 Housing Choice Voucher Program an opportunity for an informal hearing to consider whether a decision relating to the individual circumstances of the family are in accordance with law, HUD regulations and Paducah Section 8 office rules:
 - a. A determination of the amount of the total payment of tenant rent (not including determination of the PHA's schedule of utility allowance for families in the PHA's Section 8 Program).
 - b. A decision to deny or terminate assistance on behalf of the participant.
 - c. Determination that a participant family is residing in unit with a larger number of bedrooms than appropriate under the PHA standards, and the PHA's determination to deny the family's request for exception from the standard.
 - d. In the case of an assisted family which wants to move to another dwelling unit with continued participation in the PHA program.
2. The PHA is **not** required to provide an opportunity for an informal hearing in accordance with paragraph above for the following:
 - Discretionary administrative determinations by the PHA,
 - Consider general policy issues or class grievances.
 - Judgement that a unit does not comply with the PHA's Housing Quality Standards, that the owner has failed to maintain or operate a contract unit that provides decent, safe and sanitary housing in accordance with the HQS (including all services, maintenance, and utilities required under the lease).
 - Judgement that the contracted unit is not decent, safe and sanitary because of an increase in family size or change in family composition.
 - Decision to exercise any remedy against the owner under an outstanding contract including the termination of housing assistance payments to the owner.
 - Decision not to approve a family's request for an extension of the voucher issued to an assisted family which wants to move to another dwelling unit with continued participation in the PHA's Section 8 Program.
3. The PHA shall give the participant prompt written notice of a decision. The notice shall contain a brief statement of the reasons for that decision. The notice shall state that if the participant does not agree with the decision, the participant may request an informal hearing on the decision, and shall also state the time by which the request for an informal hearing must be made by the participant.
4. When the PHA determines the amount of the total tenant payment of the tenant rent, or determines the number of bedrooms entered on the voucher of an assisted family which wants to move to another dwelling unit, the PHA shall notify the participant that the participant may ask for an explanation of the basis of the PHA determination, and that, if the participant does not agree with the determination, the participant may request an informal hearing on the decision.
5. If the PHA has decided to terminate Housing Assistance Payment on behalf of a participant under an outstanding contract (and if the PHA is required to give the participant an informal hearing on the decision), the participant shall be afforded the opportunity for such informal hearing before the termination of Housing Assistance Payments.
6. In all cases when a hearing is required, the PHA shall proceed with a hearing in a reasonable expeditious manner upon the request of a participant.
7. The PHA shall adopt written procedures for conducting an informal hearing for participants in the PHA's Section 8 Program. The PHA hearing procedures shall comply with the following:
 - a. The hearing may be conducted by any person or persons designated by the PHA, other than the person who made or approved the decision under review or a subordinate of such a person.

- b. At their own expense, the participant may be represented by a lawyer or other representative.
 - c. The person who conducts the hearing may regulate the conduct of the hearing in accordance with the PHA hearing procedures.
 - d. The PHA and the participant shall be given 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. The person who conducts the hearing shall issue a written decision, stating briefly the reasons for the decision. Factual determination relating to the individual circumstances of the participant shall be based on the evidence presented at the hearing. A copy of the hearing decision shall be furnished promptly to the participant.
8. The PHA is **not** bound by a hearing decision:
- a. Concerning a matter for which the PHA is not required to provide an opportunity for an informal hearing, or otherwise in excess of the authority of the person conducting the hearing under the PHA hearing procedures.
 - b. Contrary to HUD regulations and requirements, or otherwise contrary to Federal, State or local law.

If the PHA determines that it is not bound by a hearing decision, PHA shall promptly notify the participant of the determination, and of the reasons for the determination.

Complaints and Appeals

Paducah Section 8 office will inform prospective landlords that Fair Housing and Equal Opportunity Laws must be observed. Complaints of discrimination that do occur will be investigated and action will be initiated to correct any inequalities that are found to exist.

Absence from Unit

Any family under the Section 8 program may not be absent from the unit for a period greater than 30 days consecutively unless for a medical situation which may not exceed 180 days. The family is obligated to inform the PHA upon family absence from the unit. Any failure to inform or prolonged unit absence to exceed time limitation will result in termination of rental assistance. The family will be given the right to an informal hearing in all cases of termination because of unit absence.

Restriction on the Number of Moves by a Participant Family

The PHA will restrict the number of voluntary moves by a participant family to twice (2) during any 12 month period. Involuntary moves resulting from natural disasters, owner option to sell or relocate to unit, PHA initiated lease terminations, and all other moves where the participant is not at fault are unrestricted.

PROGRAMS

Conversion HCV's

The PHA will administer conversion/enhanced vouchers consistent with 24 CFR 982.201(b)(1)(iii) and any or related subsequent HUD regulations.

Enhanced vouchers are **tenant-based assistance**. Households issued enhanced vouchers may elect to use the assistance in the same property (as long as the property continues as rental housing and the tenancy can be approved in accordance with the enhanced voucher policies), and in all cases may choose to move from the property immediately. There is no guarantee to the owner that any enhanced voucher assistance will be used at the property for any period of time. Enhanced vouchers are different from regular housing choice vouchers (HCVs) in two major respects. If the family remains in the same property, a higher enhanced payment standard is used to determine the amount of subsidy when the gross rent exceeds the normally applicable PHA payment standard, and the family must continue to contribute towards rent at least the amount the family was paying for rent on the date of the mortgage maturity, rental assistance contract expiration, or affordability restriction expiration that removes the affordability restrictions at the property.

The PHA must determine the eligibility of all at-risk households identified by the owner. For purposes of determining income eligibility, the PHA uses the applicable low income limits (not the very low income limits).

VASH

The PHA shall partnership with the Veteran's Administration (Marion, Illinois) and various Veteran Supported Service groups to provide **housing assistance to area homeless veterans** under the HUD-VA Supported Housing Program. The PHA shall adhere to HUD Notice FR-5596-N-01 and all subsequent HUD notices in regards to administration of the VASH program.

Supported Programs (SP)

The PHA seeks to support and promote area programs designed to provide coordinated services to residents who are victims of domestic violence and/or those who are in pursuit an education by enrolling in a post-secondary educational facility as a full-time student. Any HCV participant in the supported program shall retain their HCV eligibility beyond ending participation in the supported program unless termination of assistance is based upon violation of Family Obligations of the HCV program. Participants that voluntarily withdraw or are terminated with cause under SPs shall not be eligible for application to HCV until (2) two years from last HCV assistance.

Supported Programs currently promoted by the PHA:

- Scholar House of Paducah
- Merryman House Initiative (domestic violence program)

Family Self-Sufficiency Program

The City of Paducah Section 8 Housing has received approval to develop and implement a Family Self-Sufficiency (FSS) Program under the terms of the Annual Contributions Contract for KY 36-VI37-008. The objective of this action plan is to initially outline the policies and procedures for implementation of this FSS Program.

The overall goal of the City of Paducah is to enable a **maximum of 30 families** to become economically and socially independent through the coordination and delivery of existing community services.

Mandatory program size will reduce by the number of program graduates although the agency will continue to operate a voluntary program totaling 30 participants.

Based on past experience with the Project Self-Sufficiency Program, it is known that there are both societal and individual barriers to break down before a family can leave long term poverty.

It is also understood that an effective FSS Program requires a mixture of creativity and flexibility, in addition to accountability, for both the family and service providers.

Program Objectives

The Program's objectives are listed as follows:

- Improve coordination of both planning and delivery of services to participants of FSS based on the commitment to make families self-sufficient.
- Implement a case management system to identify needs, planning, and delivery of services to a FSS family based on the family's commitment to become self-sufficient.
- Document the implementation of services to be used for future planning of a broader-based FSS Program.
- Establish interagency partnerships to achieve high quality comprehensive service delivery to all members of a family with long-term results. Assess the accountability of the family, the case management, and the agencies and entities providing service and resources.

Family Objectives

The family's objectives will be to achieve the following:

- Elevate itself from a status of dependency to that of self-reliance and growth towards the goal of self-sufficiency.
- Achieve a greater level of self-discipline, self-esteem and self-motivation by accepting responsibility for decisions and actions.
- Demonstrate commitment and accountability to a Personal Action Plan, which both goals and barriers are assessed.

Family Demographics

The City of Paducah Section 8 Program will serve a diverse population in implementing the FSS Program. The Agency does not and will not under the FSS Program Action Plan, discriminate in its practice or treatment toward any program participant.

Selection Process

The selection of FSS participants will be limited to current Section 8 Housing participants with a selection preference given to JOBS (Job Opportunities and Basic Skills) participants not to exceed 50% of the total FSS slots. Outreach to JOBS participants will be performed through notification and coordination of the local JOBS coordinator and staff.

The Agency will provide FSS information available by means of notification to all current Section 8 program participants, briefing packets enclosure, media coverage, community, and/or special interest group presentations.

The non-targeted selections will be made by time and date of the family's expressed interest in participation in FSS.

The selection procedure for FSS participants will be performed without regard to race, color, religion, sex, disability, familial status or national origin.

Activities and Support Services

The FSS program will offer the following support services in addition to identified service needs of specific family circumstance:

- Child Care
- Transportation
- Education
- Employment
- Personal Welfare
- Household Skills and Management
- Counseling (credit, personal, etc.)
- Other service and resources such as case management

The identification of support needs will be established through case management, self-evaluation, and need assessment. The process of identifying service providers will be done in coordination with the Program Coordinating Committee (PCC) in order to define and access a broad range of support services.

Incentives

The FSS Program will offer participating families the opportunity to effectively become economically and socially independent of the welfare system through the coordination and provision of services designed to meet the goal of each individual participant.

The Program will also provide for the establishment of an escrow account for any difference of the increase in rent due to earned income in accordance with HUD regulations.

Assurance of Non-Interference

The City of Paducah Section 8 Housing Program hereby assures each family that any admission or right to occupy in accordance to lease provisions will not be effected by a family's participation or nonparticipation in the FSS program.

Termination

The family's Contract of Participation may be terminated for any of the following reasons:

- When the housing agency determines that the head or participating family member(s) has failed to fulfill the terms of the contract and/or any extension therefore.
- Withdrawal of the family from the FSS program.
- Mutual consent of both parties.
- By such act as it is deemed inconsistent with the purpose of the FSS program.
- By operation of law.
- When the family is no longer receiving any federal, state, local or other assistance.

Withholding of Services / Denial

If a Family previously participated in the FSS program and did not meet its obligations and was terminated, the family will be denied participation.

Families that owe the Section 8 program, or another housing agency, money in connection to housing assistance will be denied participation.

Families that are found in noncompliance of the lease that result in lease termination will be denied participation in the FSS program.

Noncompliance with the FSS contract will result in termination of contract.

If a Family fails to meet its obligations or complete goals stated in the contract, services will be denied.

Grievance Procedures

Any decision of the agency to terminate, deny or withhold assistance can be addressed by the participant by utilizing the grievance procedure including in the Administration Plan. Each participant will be informed of their rights and procedures for grievances upon selection to the FSS program.

Timetable for Implementation

The Agency's goal of full implementation of slots will be a period of 90 days from the effective date of the Action Plan.

Certification of Coordination

The City of Paducah Section 8 Housing Program hereby certifies that the development of services and activities have and will be coordinated with the JOBS program and other services related programs in order to assure that implementation will continue to be coordinated to avoid duplication of services and activities. This will be achieved through the coordinating committee input and services coordinator's program management.

Escrow Withdrawal (early)

FSS participants in good standing shall be eligible to make a one-time withdrawal of escrow funds equal to up to 50% of remaining escrow funds during the contract for the following purposes: to reduce debts in preparation of homeownership certification, to purchase needed transportation if required for employment, to cover moving expenses if needed for employment opportunity or other good cause related to becoming self-sufficient. The Program Administrator will review and approve each written request as submitted by the FSS participant.

Eligibility of graduated FSS participants

Any participant that has graduated and withdrew funds or voluntarily withdrew from the FSS program shall not be eligible to re-apply for FSS until all withdrawn funds are repaid or (2) years from last date of assistance.

HCV Homeownership Program

The City of Paducah Section 8 Housing Choice Voucher Program (hereafter referred as PHA) hereby establishes a Section 8 **tenant based homeownership option** in Paducah/McCracken County, KY pursuant to the U.S. Department of Housing Urban Development (HUD) final rule dated October 12, 2000 and Section 566 of the Quality Housing and Work Responsibility Act of 1998 under Section 8(y), Homeownership Option.

The PHA hereby establishes a minimum commitment of 50 housing choice vouchers to be utilized as homeownership option vouchers subject to review and adjustment by the City of Paducah Board of Commissioners based upon financial and related considerations.

Participant Qualification

Any Section 8 eligible program participant, Housing Authority of Paducah participant, Habitat for Humanity participant or City of Paducah Planning Department Homebuyer Program applicants, who has been issued a Section 8 housing choice voucher, referred by the Housing Authority, Habitat or the Planning Department may utilize the subsidy for purchase rather than rental of a home, subject to the following:

A family must meet the requirements for admission to or continued participation in the Section 8 Housing Choice Voucher (HCV) Program.

The homeownership option will be included in all briefing and re- certification classes as well as media and community announcements. Current Section 8 participants or public housing participants must be in compliance with their lease and program requirements and must terminate their current lease arrangement in compliance with the lease agreement.

A family in which the head or co-head of household has previously received assistance and has defaulted on a mortgage obtained through the Homeownership Option is disqualified from participation.

Participant families must be any of the following: "first-time homeowners", in which no family member owned any present homeownership interest in a residence of any family member within the last three years; residents of limited equity cooperatives; or, a family of which a member is a person with disabilities, and use of the Homeownership Option is needed as a reasonable accommodation. (Title to a mobile home or manufactured home is not considered as homeownership for purposes of this option.)

Participants in the Section 8 Homeownership Option must attend and satisfactorily complete a pre-purchase homeownership counseling program and be deemed to be "mortgage ready" before a homeownership voucher will be issued. Participants are also required to attend and complete post- purchase and ongoing homeownership counseling. At minimum, the counseling will cover the following:

- Home maintenance
- Budgeting and money management
- Credit counseling
- Negotiating the purchase price of a home
- Financing
- Locating the home
- De-concentration issues
- HQS (housing quality inspection) and independent inspection requirements

The head of household and/or co head must be currently employed on a full-time basis (as defined by HUD to average 30 hours per week) and have been continuously employed during the year before commencement of homeownership assistance. Families in which the head of

household or co-head is disabled or elderly are exempt from this requirement. Families that include a person with disabilities may request an exemption as a reasonable accommodation.

The family's income must be equal to or exceed the HUD minimum income requirement, currently set at 2000 hours times the Federal minimum wage or \$14,500 annually. Welfare assistance will not be considered in meeting the income requirement, except for households in which the head or co-head is elderly or disabled and for households that include a disabled person other than head or co-head.

Applicants may be enrolled in the Family Self-Sufficiency (FSS) Program but are not required to do so for qualifying in the program. Funds accumulated in the FSS escrow account may be advanced for purchase of the home, home maintenance, credit clean up or other house purchase related expenses subject to the guidelines of the FSS Program.

Time Frame to Purchase a Home

An applicant will have a maximum of 90 days from the date of issuance of a homeownership voucher to enter into a Purchase Agreement to purchase a home. If an applicant is unable to enter into a Purchase Agreement before the end of the initial 90-day period, the applicant will be provided an extension of 90 days to enter into a Contract for Sale or utilize the voucher for house rental.

Any additional extension will be at the discretion of the Program Administrator.

Portability

Families determined eligible for homeownership assistance may exercise the Homeownership Option outside the PHA's jurisdiction if the receiving PHA is administering a HCV homeownership program and is accepting new families into its program.

Permitted Ownership Arrangements

The Homeownership Option may be utilized for three types of housing:

1. A single-family unit owned by the family, where one or more family members hold title to the home, or a home previously occupied under a lease purchase agreement. Such unit may be a single family home, half of a duplex, or single unit within a condominium or multiplex.
2. A cooperative unit, where one or more family members hold membership shares in the cooperative.
3. A manufactured home on a permanent foundation when the family owns the land in which the home sits or if the family does not own the land where the home sits, but has the right to occupy the land for at least thirty years.

Contract of Sale and Home Inspections

Participants in the Homeownership Option Program must initially complete a Purchase Agreement with the owner of the property to be purchased.

The Purchase Agreement must include the seller's certification that the seller(s) has not been debarred, suspended, or subject to a limited denial of participation under any federal contract in accordance with 24 CFR part 24.

The Purchase Agreement must include the home's price and other terms of sale, the PHA's pre purchase HQS inspection requirements (including a provision that the participant will arrange for a pre purchase inspection of the unit as set forth below), a provision that the participant is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser, and an agreement that the purchaser is not obligated to pay for any necessary repairs.

The participant must obtain an independent professional home inspection of the unit's major systems at the participant's expense. A member of the American Society of Home Inspectors (ASHI) or a regular member of the National Association of Home Inspectors (NAHI) must conduct the independent inspection. In all cases the 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 inspector must provide a copy of the inspection report both to the family and to the PHA.

The PHA will conduct a Housing Quality Standards (HQS) inspection and will review the independent professional inspection of the unit's major systems. The PHA retains the right to disqualify the unit for inclusion in the Homeownership Option based on either the HQS inspection or the independent professional inspection report.

Financing

Mortgage instruments must meet at least one of the following criteria:

The household is solely responsible for obtaining financing. All loans must meet FHA, or acceptable terms by Fannie Mae, Freddie Mac, reputable secondary markets, or acceptable mortgage insurance credit underwriting requirements. The PHA will review lender qualifications, loan terms, and other family debt and expenses to determine that the debt is affordable and reserves the right to disapprove the loan if it is unaffordable or the terms are considered predatory.

The PHA requires a minimum homeowner down payment of at least 3 percent of the purchase price for participation in its Section 8 Homeownership Option Program, and requires that at least two percent (2%) of the purchase price come from the family's personal resources. The PHA will consider waiving or reducing the minimum down payment requirement in cases where the family is using down payment assistance grants or other assistance programs to purchase the unit. Waivers will be granted on a case-by-case basis at the discretion of the Program Administrator.

The PHA prohibits

- Seller financing
- Co-signers not residing in the household.

In the event of an appeal, the Program Administrator will appoint a review panel.

Length and Continuation of Assistance

Section 8 assistance will only be provided for the period that the family is in occupancy of the home. The maximum term a family may receive homeownership assistance is fifteen years if the initial mortgage incurred to finance purchase of the home is 20 years or longer. In all other cases, the maximum term of assistance is ten years or the length of actual mortgage if less than 10 years.

Elderly families that qualify as such at the start of homeownership assistance and disabled families that qualify as such at any time during receipt of homeownership assistance are exempt from this time limit. If an elderly or disabled family ceases to qualify as such during the course of homeownership assistance, the maximum term applies from the date the assistance commenced, except that the family will be provided at least 6 months of assistance after the maximum term becomes applicable.

Family Obligations

In addition to completing the pre- and post-purchase homeownership counseling program, the family must execute a statement of family obligations prior to the issuance of the

homeownership voucher, agreeing to comply with all family obligations under the Homeownership Option, including:

1) The family must comply with the terms of any mortgage securing debt incurred to purchase the home or any refinancing of such debt.

At any time the family is receiving homeownership assistance, the family may not sell or transfer any interest in the home to any entity or person other than a member of the assisted family residing in the home.

A home equity loan may not be acquired without the prior written consent of the PHA.

The family must provide required information regarding income and family composition in order to calculate correctly total tenant payment and homeownership assistance, consistent with Section 8 requirements and any other information requested by the PHA concerning financing, the transfer of any interest in the home, or the family's homeownership expenses.

While receiving homeownership assistance, the family must notify the PHA if the family defaults on a mortgage securing any debt incurred to purchase the home.

While receiving homeownership assistance, the family must notify the PHA before the family moves out of the home.

1) The family must, at annual reexamination, document that the family is current on mortgage, insurance and utility payments.

The family is prohibited from moving more than one time in a one (1) year period. The family may be required to participate in pre- and post-purchase homeownership counseling prior to re-housing.

While receiving homeownership assistance, no family member may have any ownership interest in any other residential property.

Assistance Payment

The PHA may provide upon approval by HUD, one of two types of homeownership assistance paid directly to the lender or designee on behalf of the family.

1) Monthly homeownership assistance payment

The family's Section 8 monthly housing assistance payment will be the lower of the Section 8 voucher payment standard minus the Total Tenant Payment or the family's monthly homeowner expenses minus the Total Tenant Payment.

Homeownership expenses include principal and interest on mortgage debt, refinancing charges of mortgage debt, mortgage insurance premiums, real estate taxes and public assessments, home insurance, allowance for maintenance expenses, allowance for major repairs and replacements based on allowance recommended by the PHA's designees, a utility allowance, and principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home (including expense of reasonable accommodation).

If a family's income increases to a level that they are no longer eligible to receive a housing assistance payment, eligibility for such payments will continue for 180 calendar days. At the end of a continuous period of 180 days without any assistance payments, eligibility for Section 8 assistance will automatically terminate.

Lease-to-Purchase

Lease-to-Purchase agreements are considered rental property and subject to the Section 8 tenant-based assistance rules. All regulations of the Homeownership Program will become effective at the time that the family exercises the option to utilize the homeownership voucher.

Default

If the family defaults on the home mortgage loan, the participant will not be able to utilize the Homeownership Voucher for rental assistance but may reapply to the Section 8 waiting list.

Recapture

The PHA will not recapture the Homeownership Voucher payments unless there was an act of fraud or misrepresentation of a material fact in order to obtain a benefit. The HCV Homeownership recapture provision does not apply to any other program funds that may be used in the transaction.

Denial or Termination of Assistance

The PHA reserves the right to deny or terminate assistance to the family, and will deny homeownership assistance to the family, in accordance with HUD regulations governing any failure to comply with family obligation, mortgage default or failure to demonstrate that the family has conveyed title to the home as required, or the family has moved from the home within the period established or approved.

Informal Hearings

An informal hearing will be offered for participants who are being terminated from the Program because of the family's action or failure to act as provided in 24 CFR 982.552. The rules and procedures are set forth in the Section 8 Administrative Plan, entitled "Grievance Procedures".

Occupancy Standards

The PHA will determine the occupancy standard applicable to each homeownership family to be utilized in the issuance of the payment standard size for lease-to-own calculations and mortgage calculations by consideration of the following:

- size or anticipated size of family
- provision of a valued and salable asset
- analysis of local marketable units
- availability of necessary funding

It is the objective of the PHA to provide the homeowner with the opportunity to purchase local marketable units. In some cases, the homeowner would only qualify (under the regular Voucher Program occupancy standards) for a payment standard that would limit the size of the unit purchased. Under the HCV homeownership program, an analysis will be done on the local market to insure that the homeowner is provided adequate assistance to purchase a valued and salable property which in some cases will equate to adjusting the payment standard size above the occupancy standard of the regular voucher program.

Non-Routine Maintenance/Replacement Reserve

The PHA will encourage a non-routine maintenance and replacement reserve account for each homebuyer receiving home ownership assistance under the Section 8 Homeownership Program. The account shall be maintained by either the Kentucky Housing Corporation or mortgage company/designee for the benefit of the individual homeowner.

The reserve accounts will insure that the homebuyer have sufficient funds on hand for major repairs and systems replacement.

Each home buyer receiving homeownership assistance with a reserve account option will be required to deposit (minimum) \$50.00 monthly to an escrow account to be used to pay for reasonable and non-routine maintenance or repair expenses, or systems replacement; and in the case of a disabled household, the cost of modification of a unit necessary as a reasonable accommodation. Families may access the account with a written request to PSS, which will include the nature of the repair or replacement, bids or estimates, or actual receipts for work that has already been completed. The PHA will make the final determination on approval of account withdrawals and shall submit request to servicing agent for release of funds.

Participation in the monthly non-routine maintenance/replacement reserve escrow program is required (unless otherwise not offered by a mortgage company or designee) by all participants receiving Section 8 Homeownership assistance from the City of Paducah Section 8 Housing Program after May 1, 2008. Participation by pre-existing homeowners receiving Section 8 Homeownership assistance will be by voluntary written agreement by existing homeowner and will be subject to all provisions under mandatory requirement. The length of individual participation is based on the length of assistance provided by the PHA. After completion of a ten (10) year term of home ownership assistance and obligation, the family may make a written request for the remaining escrow account balance or request it be applied toward the principle balance of their mortgage.

Withdrawal of the funds will be contingent on:

- ✓ Good standing with homeownership program and mortgage obligations.
- ✓ The expense being approved by the PHA. Such expenses are for the replacement of the heating system, air conditioning, water heater, refrigerator, appliances (funds cannot be used to purchase the initial appliance), and home repairs (not including decorations). It may not be used for additions to the unit or for decorative landscaping.

Disbursements

In order to access maintenance/replacement reserve funds, a written request must be submitted to the PHA stating the estimate of cost and purpose the funds will be used.

Homeownership Option 10 Year Asset Exclusion

Federal Regulations 24 CFR 5.603 (b) Net Family Assets exempts the home purchased with voucher assistance from being counted as an asset for the first 10 years after closing. The PHA will utilize the following method in calculating home value assets after the initial 10 year exemption exclusion:

Market Value minus Loan Value equals Asset Value

Market Value will be obtained by utilizing the assessed value of property as provided by the McCracken County Property Evaluation Office and reduced (adjusted) by 10% (estimated cost of expense to convert to cash)

Loan Value will be determined by the amount obtained from mortgage company to pay-off loan in full effective on re-certification date or other designated date, if pay-off amount is unobtainable, mortgage balance on re-certification date or other designated date will be utilized as loan value.

Project-Based Voucher Program

The City of Paducah Section 8 Housing Program (PHA) hereby creates a project based housing program (PBV) to achieve the following goals; to expand the affordable housing stock, to increase the affordability of housing currently not affordable to households below 30% of the area median income and to support supported housing programs. The maximum number of PBV units shall not exceed twenty percent of the total number of ACC authorized HCV units of rental assistance at any time (110 units maximum). The PHA shall enter into contracts for PBV assistance based on rules stated below and HUD regulations published in Federal Register 24 CFR Part 983 including all subsequent corrections and amendments.

Project Selection Criteria

The PHA will consider the following project selection criteria in evaluating proposals to project base housing choice vouchers:

1. Housing that serves homeless households;
2. Housing that serves households with special needs such as people with mental and/or developmental disabilities, people with physical and/or sensory disabilities and .other special needs as described by the entity;
3. Housing that reduces concentrations of poverty;
4. Housing that provides opportunities to increase the diversity of neighborhoods;
5. Housing that combines an appropriate level of support services to residents;
6. Housing that provides opportunities for economic self-sufficiency; and
7. Housing that maximizes the use of other funding sources and leverages the use of PHA funds.

Project Selection

The PHA will make housing choice voucher funding available to non-profit and for-profit entities through a competitive process. A Request for Proposal (RFP) will be published as required, inviting proposals of projects that seek the commitment of project-based vouchers that meet the goals of the PHA selection criteria. Specific project selection will be performed by a PHA designated evaluation panel utilizing a weighted selection scored according to the applicable factors listed inthe selection criteria.

All projects awarded project based Section 8 subsidy must be developed and operated in a manner consistent with HUD regulations. Project based commi1ments are subject to the availability of adequate federal funding of the PHA Section 8 Housing Choice Voucher Program.

Operation of Project-Based Properties

The PBV program shall operate the same as the regular tenant based vouchers with the following exceptions:

Project-Based Waiting List

The PHA shall use a separate waiting list for admission to the PBV program. All PBV applications will be maintained according to the same selection criteria as the regular program. If an applicant refuses an offer of assistance for PBV, the applicant will be transferred to the regular waiting list as of their original application date.

Moves with Continued Assistance

Participants that are assisted under the PBV program may move from the assisted project and retain housing choice voucher assistance if the assisted family has occupied the unit under PBV for at least 12months and has given proper notice to vacate.

PBV Program Contract Terms

The contract term shall be negotiated for each project based on the project's needs, not to exceed 10 years.

Except for units designated for families that are elderly, disabled or receiving supported services, no more than 25% of the project may have PBV assistance.

PBV unit gross rents may not exceed the applicable Fair Market Rent.

No vacancy loss payments shall be made by the PHA in the event that the participant vacates the unit.

All units must be inspected by the PHA for Housing Quality Standard (HQS) compliance and each unit shall be re-inspected annually.

All contracts are subject to availability of adequate funds.

ADMINISTRATION & EVALUATION

Responsibilities of the PHA

- ❖ Publication and dissemination of information concerning the availability and nature of housing assistance for eligible families.
- ❖ Public invitation of owners to make dwelling units available for leasing by eligible families and development of working relationships and contracts with landlords and appropriate associations and groups.
- ❖ Receipt and review of applications for vouchers, verification of family income, and other factors relating to eligibility and amount of assistance and maintenance of a waiting list.
- ❖ Issuance of vouchers.
- ❖ Notification of families determined to be ineligible.
- ❖ Provision of each voucher holder of basic information on applicable Housing Quality Standards and inspection procedures, search for and selection of housing, owner and tenant responsibilities, and basic rules.
- ❖ Determination of the amount of the total tenant payment and tenant rent.
- ❖ Determination of the amounts of housing assistance payments.
- ❖ Explanation of program procedures to owners, including those who have been approached by voucher holders.
- ❖ Review of and action on requests for lease approval, including monitoring to assure that the limitations on use of Section 8 Housing Assistance in subsidize projects are observed.
- ❖ Making of housing assistance payments.
- ❖ Provision of housing information to assisted families and referral of such families to appropriate social service agencies upon request.
- ❖ Re-examination of family income, composition, and extent of exceptional medical or other unusual expenses, and redetermination, appropriate, of the amount of gross family contributions and amount of housing assistance payment in accordance with HUD established schedules and criteria.
- ❖ Adjustment of the amount of tenant rent, utility reimbursement and housing assistance payment as a result of an adjustment by the PHA of any applicable utility allowance.
- ❖ Inspection prior to leasing and inspection; inspections at least annually determine that the units are maintained in decent, safe, and sanitary condition, and notification to owners and families of PHA determinations.
- ❖ Administration and enforcement of contracts with owners and taking appropriate actions in case of noncompliance or default.
- ❖ Compliance by the PHA with equal opportunity requirements, including efforts to provide composition, increase or decreases in medical (elderly) or child care expenses, increases or decreases in family income during each contract year as they occur.

Program Management Roles

Program Administrator - Responsible for all aspects of the Section 8 programs.

Housing Specialist - Responsible for applications, certifications, recertifications, issuing Section 8 checks, various reports and duties as directed by the Administrator.

Inspector - HQS inspections are to be performed by a Housing Specialist, if trained in the HUD HQS standards; or under contract with an appropriately trained private inspector; or the Program Administrator.

Outreach

It shall be the policy of this Public Housing Agency (PHA) to aggressively promote the Section 8 Housing Choice Voucher, Family Self-Sufficiency (FSS) and Homeownership Option through public service announcements, brochures, local radio and advertising in the local daily and weekly newspapers. In addition, all public service agencies in the Paducah area will receive information circulars describing these programs and who may receive benefits. Informational materials will be circulated among local Realtors, private rental property owners, and rental property managers for the purpose of soliciting participation. If additional listings are needed, staff members may go into the community meet one-on-one with citizens or groups for the purpose of outreach.

The Paducah Section 8 office will actively promote the availability of housing assistance to eligible applicants by contact with local media, brochures, and community organizations. In order to target the "least likely to apply" applicants, the Paducah Section 8 office will provide flyers and brochures to be distributed through places of employment, union offices, neighborhood groups, churches, and commercial establishments if there is a need for outreach demonstrated by our application pool.

Briefing Families, Issuing Housing Choice Vouchers

- A. This PHA will provide brochures to each family, however, we believe it will be necessary to give individual instructions (small groups when possible), in order that the program may be properly explained. The staff will be available to discuss housing search problems during the introductory search period.
- B. Briefing documents to be included in each participant packet are as follows:

HOUSING CHOICE VOUCHER PACKET

- Housing Voucher Utility Allowance
- Request for Lease Approval
- Required and Prohibited Lease Provisions
- Lead Based Paint Information
- Fair Housing Information and Complaint Form
- Housing Assistance Payment Information
- Informal Hearing Information
- HQS Information
- Federal Privacy Act Statement
- Statement of Family Responsibilities
- Security Deposit Information
- A Guide to Housing Vouchers
- Housing Voucher
- EIV Applicant/Participant Information

Administrative Fee Reserve Expenditures

All expenditures from the administrative reserve of the Section 8 programs shall be housing related and shall be approved by the City of Paducah Board of Commissioners.

Monitoring Program Performance

The Program Administrator will monitor and perform quality control audits on waiting list selection, rent reasonableness, adjusted income determination, HQS enforcement, and HQS quality control as required.

Purged Files

All participant files purged by this Agency will retain the original application made by the family and will include the previous one year re-examination documentations and leasing contracts.

Fair Housing Policy and Equal Opportunity Housing Plan

Fair Housing Policy: The Fair Housing Policy of the PHA to comply fully with all Federal, State, and local nondiscrimination laws and in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment and with the Americans with Disabilities Act. Specifically, the PHA shall not on the basis of race, color, religion, sex, handicap, familial status, and national origin, deny any family or individual the opportunity to apply for or receive assistance under HUD's Section 8 Programs, within the requirements and regulations of HUD and other regulatory authorities. To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide access to information to Section 8 participants regarding "discrimination". Also, this subject will be discussed during the briefing session and any complaints will be documented and made part of the applicants/participants file.

For families and/or individuals who report apparent discrimination in obtaining assisted housing, the PHA shall assist them by providing the family/individual with a HUD Housing Discrimination Complaint Form, HUD - 903. The individual can complete this form and report apparent discrimination to the Louisville HUB Office of Fair Housing and Equal Opportunity. For example, a resident may be trying to obtain other rental housing and/or is attempting to purchase a home and experiences apparent discrimination.

Equal Opportunity Housing Plan: The PHA is a participant in the tenant-based program and is required to comply with equal opportunity requirements imposed by contract or federal law (Ref: 24 CFR 982.S4). This includes applicable requirements under:

- The Fair Housing Act, 42 U. S. C. 3610-3619 (implementing regulations at 24 CFR parts 100, et seq.);
- Title VI of the Civil Rights Act of 1964, 42 U.S. C. 2000d (implementing regulations at 24 CFR part I);
- The Age Discrimination Act of 1975, 42 U. S. C. 6101-6107 (implementing regulations at 24 CFR, part 146);
- Executive Order 11063, Equal Opportunity in Housing (1962), as amended, Executive Order 12259, 46 FR1253 (1980), as amended, Executive Order 12892, 59FR 2939 (1994) (implementing regulations at 24 CFR, part 107);
- Section 504 of the Rehabilitation Act of 1973, 29 U.S. C. 794 (implementing regulations at 24 CFR, part 8; and
- Title II of the Americans with Disabilities Act, 42 U.S. C.12101, et seq.

Equal Opportunity Posting Requirements:

There shall be maintained in the PHA's office waiting room a bulletin board, which will accommodate the following posted materials:

- Statement of Policies and Procedures Governing the Section 8 Administrative Plan.
- Open Occupancy Notice (Applications being Accepted and/or Not Accepted)
- Income Limits for Admission.
- Utility Allowances.

- Informal Review and Hearing Procedure.
- Fair Housing Poster.
- "Equal Opportunity in Employment" Poster.

Limited English Proficient (LEP) Policy

It is a policy of the City of Paducah Section 8 Housing Program (PHA) to take reasonable steps to ensure meaningful access to PHA programs and activities by limited English proficient (LEP) persons, taking into account the proportion of LEP persons in the eligible service population, the frequency with which LEP individuals come in contact with the program, the nature and importance of the service provided by the program, and the available resources.

In all housing programs it provides, PHA complies with applicable federal and state law, including, without limitation:

Title VI of Civil Rights Act of 1964 and the implementing regulations at 24 CFR part 1, "Nondiscrimination in Federally Assisted Programs of the Department of Housing and Urban Development-Effectuation of Title VI of the Civil Rights Act of 1964"; Executive Order 13166.

In addition, PHA complies with the related rules, regulations and procedures prescribed under the above-mentioned federal and state law.

Definition of LEP Person

Persons who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English can be LEP.

Identifying LEP Individuals who Need Language Assistance

PHA shall take reasonable steps to identify LEP persons served or encountered using the following methods:

- Using the Census Bureau "I speak" cards to invite LEP persons to identify their language needs to staff;
- Posting notices in PHA office listing commonly encountered languages and notifying LEP persons of available language assistance;
- Requesting applicants and participants to list their primary language and need for interpreter on applications and eligibility statements;
- Tracking the LEP information electronically;

Language Assistance Measures

Types of Language Services Available

PHA shall take reasonable steps to provide oral and written language services as described in this section. In determining what language services should be provided, PHA shall consider the following factors:

- A. The number or Proportion of LEP Persons Served or Encountered in the Eligible Service Population

PHA shall examine its prior experiences with LEP encounters to determine the breadth and scope of language services needed. PHA shall also consult other data to refine or validate its prior experience, including the latest census data for the area served.

- B. The Frequency With Which LEP Individuals Come Into Contact With the Program

PHA shall take reasonable steps to assess, as accurately as possible, the frequency of contact with LEP persons from different language groups. The more frequent the contact with a particular language group, the more likely that enhanced language services in that language are needed. Less frequent contact with different language groups may suggest a different and less intensified solution.

The Nature and Importance of the Program, Activity, or Service provided by the Program

The more important the activity, information, service, or program, or the greater the possible consequences of the contact to the LEP persons, the more likely language services may be needed.

The Resources Available to PHA and Costs

While it is PHA's policy to take reasonable steps to provide meaningful access to PHA programs and activities by LEP persons, the availability of resources may limit the provision of language services in some instances "Reasonable steps" may cease to be reasonable where the costs imposed substantially exceed the benefits. PHA shall explore the most cost-effective means of delivering competent and accurate language services before limiting services due to resource concerns.

Oral Language Services (Interpretation)

PHA shall use contract interpreters and bilingual PHA or City of Paducah staff to provide the services. Where LEP persons so desire, they can use, at their own expense, an adult interpreter of their own choosing (whether a professional interpreter, family member, or friend) in place of or as a supplement to the free language services offered by PHA. PHA may, at its discretion, choose to provide their own interpreter in addition to the one used by the family.

PHA shall take reasonable steps to ensure competency of the language service provider. When providing oral language assistance, PHA shall use the following general criteria to ensure effective communication with LEP persons:

- Demonstrated proficiency in and ability to communicate information accurately in both English and in the other language and identify and employ the appropriate mode of interpreting;
- Knowledge in both languages of any specialized terms or concepts peculiar to PHA's program or activity and of any particular vocabulary and phraseology used by the LEP person;
- Understanding of and following confidentiality and impartiality rules;
- Awareness of "regionalisms" used by the LEP person;
- Understanding of and adherence to their role as interpreters without deviating into a role as counselor, legal advisor, or other roles.

When interpretation is needed and is reasonable, it shall be provided in a timely manner so as to avoid the effective denial of a benefit or service. Where access to or exercise of a benefit or service is not effectively precluded by a reasonable delay, the language assistance may be reasonably delayed.

Written Language Services (Translation)

PHA shall take reasonable steps to provide written translations of vital documents that list program rules and instructions for each eligible LEP language group that constitutes 5% or 28 persons, whichever is less, of program applicants/participants. Whether or not a document (or information it solicits) is vital may depend upon the importance of the program, information, encounter, or service involved, and the consequence to the LEP person if the information in question is not provided accurately or in a timely manner. For example, applications for certain recreational activities would not generally be considered vital documents, whereas applications for housing could be considered vital.

All documents that require action from an applicant or participant shall include a statement in the languages of eligible groups reading "Important information about your housing. If you need assistance, please contact us immediately." PHA shall take reasonable steps to provide oral interpretation of other documents, if needed.

For all documents available in the languages of eligible groups, the English version of the documents shall include a statement on the bottom in the languages of eligible groups reading "This form is available in (language) upon request."

For LEP language groups that constitute less than of program applicants, participants or residents, PHA will not translate written materials, but shall take reasonable steps to provide oral interpretation of the written materials upon request.

As with oral interpreters, PHA will take reasonable steps to ensure competency of translators of written documents. Where legal or other vital documents are involved, PHA shall make a reasonable effort to use certified translators.

Telephone Services

When calls are received by an LEP applicant, participant or resident, PHA staff will make every effort to determine the language being spoken by the caller. Calls will be forwarded to PHA or City staffs who speaks the same language as the caller for assistance. If PHA or City staff is not available at the time of the call, the caller will be requested to call back when an interpreter can be available. An interpreter will be secured within a reasonable time frame.

On-Site Visitation

When an LEP applicant, participant or resident comes to the PHA office, PHA staff will make every effort to determine the language being spoken by the caller by using the "I Speak" cards. If PHA or City staffs who speak the language are available to assist the applicant, participant or resident, they will do so, either in person or via telephone. If PHA or City staff is not available at the time of the visit, the person will be requested to come back when an interpreter can be available. An interpreter will be secured within a reasonable time frame.

Written Communications

Correspondence received in languages other than English will be translated by PHA or City staff who speak the language, where available, or by PHA's contracted translation agency. Responses will be translated into the same language as the letter that was received.

Training Staff

PHA will ensure that staff knows the obligation to provide meaningful access to information and services to LEP persons. PHA will provide training to ensure that:

- Staff is competent on LEP policies and procedures; and
- Staff having contact with the public is trained to work effectively with interpreters.

The training will be included as a part of departmental orientation for new employees.

Staff will be provided with listing of forms available in languages other than English and with a list of bilingual City staff.

Providing Notice to LEP Persons

PHA shall provide a notice to LEP persons of the availability of free language assistance that ensures meaningful access to PHA's programs and services. Examples of notification may include:

- Posting signs in common areas, offices, and anywhere applications are taken. The signs shall be translated into the most common languages encountered;
- Stating in outreach documents that language services are available. These statements shall be translated into the most common languages encountered;
- Working with grassroots and faith-based community organizations and other stakeholders to inform LEP persons of PHA's services, including the availability of language assistance services;

Monitoring and Updating LEP Plan

PHA will monitor the implementation of the LEP plan on an ongoing basis to determine whether new documents, programs, services, and activities need to be made accessible for LEP persons. In addition, PHA will review its LEP plan annually to evaluate the following information:

- Proportion of LEP persons in the eligible service population;
- Frequency of encounters with LEP language groups;
- Nature and importance of activities to LEP persons;
- Availability of resources;
- Whether existing language assistance meets the needs of LEP persons;
- Whether staff knows and understands LEP plan and its implementation.

Reduction of Families Due to Reduced Funding

In the event of a reduction of federal funding, the PHA will utilize a family reduction plan as follows:

- A. Terminate HAP contracts for families that are receiving the least rental assistance not to exceed 5% of total families assisted, if reduction is not adequate;
- B. Terminate HAP contracts for families based upon the most recent executed rental agreements to the extent that remedies reduction forecast.
- C. All terminated families due to reduced funding will be offered preference placement on waiting list to be re-assisted when adequate funding exist.

MANAGEMENT ASSESSMENT OBJECTIVES

The PHA policies and practices are consistent with the areas of measurement for the following HUD SEMAP indicators.

- Selection from the Waiting List
- Reasonable Rent
- Determination of Adjusted Income
- Utility Allowance Schedule
- HQS Quality Control Inspections
- HQS Enforcement
- Expanding Housing Opportunities
- FMR/exception rent & Payment Standards
- Annual Re-examinations
- Correct Tenant Rent Calculations
- Pre-Contract HQS Inspections
- Annual HQS Inspections
- Lease-up
- Family Self-Sufficiency Enrollment and Escrow Account Balances

A qualified person will perform supervisory quality control reviews on the following SEMAP indicators:

- Selection from the waiting list
- Rent reasonableness
- Determination of adjusted income
- HQS Enforcement
- HQS Quality Control
- Annual Re-examinations
- Correct Tenant Rent Calculations
- Pre-Contract HQS Inspections

The annual sample of files and records will be drawn in an unbiased manner that is documented.

The minimum sample size to be reviewed for each SEMAP indicator is provided in 24 CFR Part 985, and will relate directly to each factor.

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