

San Francisco Housing Authority

Section 8 Housing Department

Administrative Plan for the Section 8 Voucher Program



July 2008

SECTION 8 ADMINISTRATIVE PLAN TABLE OF CONTENTS

I CHAPTER 1

1.0 EQUAL OPPORTUNITY	7
1.1 FAIR HOUSING.....	7
1.2 REASONABLE ACCOMODATION	7
1.3 COMMUNICATION	9
1.4 QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION.....	9
1.5 SERVICES FOR NON-ENGLISH SPEAKING APPLICANTS AND PARTICIPANTS	10
1.6 FAMILY/OWNER OUTREACH	10
1.7 RIGHT TO PRIVACY.....	11
1.8 REQUIRED POSTINGS	12
1.9 CONDUCTING BUSINESS IN ACCORDANCE WITH PROFESSIONAL VALUES AND ETHICAL STANDARDS	10
2.0 SFHA /OWNER RESPONSIBILITY/ OBLIGATION OF THE FAMILY	13
2.1 SFHA RESPONSIBILITIES	13
2.2 OWNER RESPONSIBILITY.....	14
2.3 OBLIGATIONS OF THE PARTICIPANT	15
3.0 ELIGIBILITY FOR ADMISSION.....	19
3.1 INTRODUCTION	19
3.2 ELIGIBILITY CRITERIA.....	19
A. FAMILY STATUS	17
B. INCOME ELIGIBILITY.....	18
C. CITIZENSHIP.....	23
SWITCHING SUBSIDY TYPES.....	29
NOTIFICATION PERIOD	29
FRAUD	31
END OF INVESTIGATION	32
4.0 ADMINISTRATION OF WAITING LIST	34
4.1OPENING THE WAITING LIST	34
4.2 APPLICATION PROCESS.....	34
4.3 RANKING METHOD	35
4.4 CLOSING OF THE WAITING LIST	35

5.0	SELECTION FROM THE WAITING LIST	37
5.1	WAITING LIST ADMISSIONS AND SPECIAL ADMISSIONS.....	37
5.2	PREFERENCES.....	37
5.3	ORDER OF SELECTION.....	40
5.4	UPDATING OF THE WAITING LIST	37
5.5	PROCEDURES FOR REMOVING NAMES FROM THE WAITING LIST	37
5.6	REFUSAL TO LIST AN APPLICANT OR REMOVAL OF AN APPLICANT	
	FOR SPECIFIC GROUNDS.....	38
5.7	GROUNDS FOR DENIAL	42
5.8	INFORMAL REVIEW.....	44
6.0	ASSIGNMENT OF BEDROOM SIZES (SUBSIDY STANDARDS)	46
6.0.1	OCCUPANCY STANDARDS.....	47
6.1	BRIEFING	48
6.2	PACKET	48
6.3	ISSUANCE OF VOUCHER; REQUEST FOR APPROVAL OF TENANCY	50
6.4	TERM OF THE VOUCHER.....	51
6.4.	SUSPENSION (TOLLING) OF VOUCHERS	53
6.5	APPROVAL TO LEASE A UNIT	53
6.6	SFHA DISAPPROVAL OF OWNER	54
6.7	INELIGIBLE/ELIGIBLE HOUSING	54
6.8	SECURITY DEPOSIT.....	56
7.0	MOVES WITH CONTINUED ASSISTANCE	57
7.1	WHEN A FAMILY MAY MOVE	57
7.2	PROCEDURES REGARDING FAMILY MOVES.....	57
7.3	Moves Due to Home Purchase	57
8.0	PORTABILITY	59
8.1	GENERAL POLICIES OF THE SFHA	59
8.2	INCOME ELIGIBILITY.....	59
8.3	PORTABILITY: ADMINISTRATION BY RECEIVING HOUSING	
	AUTHORITY	59
8.4	PORTABILITY PROCEDURES	60
9.0	DETERMINATION OF FAMILY INCOME	62
9.1	INCOME, EXCLUSIONS FROM INCOME/ DEDUCTIONS FROM	
	INCOME	62
9.2	INCOME	62
9.3	EXCLUSIONS FROM INCOME.....	64
9.4	DEDUCTIONS FROM ANNUAL INCOME	68
10.0	VERIFICATION	69

10.1	ACCEPTABLE METHODS OF VERIFICATION.....	69
10.2	TYPES OF VERIFICATION.....	70
10.3	VERIFICATION OF CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS	72
10.4	VERIFICATION OF SOCIAL SECURITY NUMBERS	72
10.5	TIMING OF VERIFICATION.....	73
10.6	FREQUENCY OF OBTAINING VERIFICATION.....	73
11.0	RENT AND HOUSING ASSISTANCE PAYMENT.....	81
11.1	GENERAL	81
11.2	RENT REASONABLENESS	81
11.3	COMPARABILITY	81
11.4	MAXIMUM SUBSIDY	82
11.4.1	SETTING THE PAYMENT STANDARD	82
11.4.2	SELECTING THE CORRECT PAYMENT STANDARD FOR A FAMILY	83
11.4.3	AREA EXCEPTION RENTS.....	83
11.5	ASSISTANCE AND RENT FORMULAS	84
11.6	UTILITY ALLOWANCE	87
11.7	DISTRIBUTION OF HOUSING ASSISTANCE PAYMENT.....	90
11.8	CHANGE OF OWNERSHIP	90
12.0	INSPECTION POLICIES, HOUSING QUALITY STANDARDS, AND DAMAGE	CLAIMS 92
12.1	TYPES OF INSPECTIONS	92
12.2	OWNER AND FAMILY RESPONSIBILITY.....	93
12.3	HOUSING QUALITY STANDARDS (HQS) 24 CFR 982.401.....	94
12.4	TIME FRAMES AND CORRECTIONS OF HQS FAIL ITEMS.....	104
12.5	EMERGENCY FAIL ITEMS	105
12.6	ABATEMENT	106
13.0	RECERTIFICATION.....	107
13.1	ANNUAL REEXAMINATION.....	107
13.1.1	EFFECTIVE DATE OF RENT CHANGES FOR ANNUAL REEXAMINATIONS	107
13.1.2	RE-EXAMINATION BY MAIL	108
13.1.3	EFFECTIVE DATES OF INTERIM RE-EXAMINATIONS OF RENT.....	108
13.1.4	MISSED APPOINTMENTS	109
13.2	INTERIM REEXAMINATIONS	109
13.2.1	SPECIAL REEXAMINATIONS	111
13.2.2	EFFECTIVE DATE OF RENT CHANGES DUE TO INTERIM OR SPECIAL REEXAMINATIONS	111

14.0	TERMINATION OF ASSISTANCE TO THE FAMILY BY THE SFHA	112
15.0	COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, AND INFORMAL HEARINGS FOR PARTICIPANTS	114
15.1	COMPLAINTS.....	114
15.2	INFORMAL REVIEW FOR THE APPLICANT.....	114
15.3	INFORMAL HEARINGS FOR PARTICIPANTS.....	116
16.0	TERMINATION OF THE LEASE AND CONTRACT	122
17.0	IMPLENETATION OF COST SAVING MEASURES DUE TO APPROPRIATIONS ERROR! BOOKMARK NOT DEFINED.	
18.0	INTELLECTUAL PROPERTY RIGHTS	127
19.0	SFHA OWNED HOUSING.....	128
20.0	TRANSITION TO THE NEW HOUSING CHOICE VOUCHER PROGRAM.....	129
21.0	HOME OWNERSHIP OPTION	130
22.0	MISCELLANEOUS	131
22.1	SPECIAL PURPOSE FUNDING	150
22.2	FUNDS ISSUED TO FAMILIES LIVING IN A SPECIFIC PROJECT OR DEVELOPMENT.....	152
22.3	ASSISTING FAMILIES EXPERIENCING ILLEGAL DISCRIMINATION ..	152
22.4	FAMILY BREAK-UPS.....	152
22.5	SPLIT HOUSEHOLDS PRIOR TO VOUCHER ISSUANCE	153
22.6	MULTIPLE FAMILIES IN THE SAME HOUSEHOLD.....	153
22.7	JOINT CUSTODY OF CHILDREN	154
22.8	CHANGES IN HEAD OF HOUSEHOLD.....	154
23.0	REPAYMENT AGREEMENTS	155
23.1	PARTICIPANTS.....	155
23.2	APPLICANTS	155
23.3	OWNERS/LANDLORDS	156
23.4	OWNERS AND FAMILY DEBTS	156
24.0	VIOLENCE AGAINST WOMEN'S ACT.....	157
25.0	DISASTER HOUSING ASSISTANCE PROGRAM.....	162

GLOSSARY..... 165

II CHAPTER 2

PROJECT-BASED CERTIFICATE PROGRAM GUIDANCE

III CHAPTER 3

**PROJECT-BASED VOUCHER PROGRAM ADMINISTRATIVE PLAN -
Initial Guidance**

IV CHAPTER 4

**PROJECT-BASED VOUCHER PROGRAM ADMINISTRATIVE PLAN –
Final Rule**

SECTION 8 ADMINISTRATIVE PLAN

1.0 EQUAL OPPORTUNITY

1.1 FAIR HOUSING

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

No person shall, on the ground of race, color, sex, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the SFHA housing programs.

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

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

1.2 REASONABLE ACCOMODATION

A reasonable accommodation is some exception or change that the SFHA makes to rules, policies, services, or regulations that will assist a resident or applicant with a disability in taking advantage of a housing program and/or dwelling. The accommodation must be necessary for the individual with the disability to enjoy and/or fully use services offered to other residents and/or the individual dwelling unit.

A. Reasonable accommodations can include but are not limited to:

- 1) A change in the rules or policies or how the SFHA does things that would make it easier for a resident to live;
- 2) Permitting a seeing eye dog for a household in a community where pets are not allowed, or not charging a deposit for a service animal though the SFHA charges deposits for pets;

- 3) Permitting an outside agency to assist a disabled resident to meet the terms of the lease;
- 4) Permitting a live-in Personal Care Attendant (PCA) to live with a disabled resident who might need 24-hour assistance;
- 5) A change in the way the SFHA communicates with residents or gives them information.

B. Entitlement to a reasonable accommodation.

1, A resident or applicant is entitled by law to a reasonable accommodation when needed because of a disability of the applicant, resident, or household member. The SFHA will grant all requests for reasonable accommodations that are needed as a result of a disability if the request is not unduly burdensome or requires a fundamental alteration of the housing program. In the event that such a request is not economically feasible and/or involves an administrative burden, the SFHA reserves its right deny the request for accommodation. If the SFHA denies a request, SFHA staff will give the resident the reasons in writing.

C. Qualifications for a reasonable accommodation. There must be a verifiable disability involved in order for the household to qualify for a reasonable accommodation. The SFHA is required by law to keep all information about the disability confidential.

- 1) A person has a disability if he/she has a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such impairment.
- 2) Most serious medically treated conditions are considered to be a disability.
- 3) A disabled resident must still be able to meet essential obligations of tenancy - they must be able to pay rent, to care for the apartment, to report required information to the SFHA, avoid disturbing their neighbors, etc., but there is no requirement that the resident be able to do these things without assistance.

D. Written requests for reasonable accommodations.

- 1) The SFHA will respond to all written requests for reasonable accommodations by providing the resident/applicant with the following forms which will help the SFHA to better help the resident/applicant:
 - a) Tenant Packet for a Reasonable Accommodation (explains the SFHA policy to the resident/applicant, and provides instructions on how to apply).
 - b) Request for Reasonable Accommodation (resident/applicant completes); and
 - c) Verification of Need for Reasonable Accommodation and Release (resident/applicant provides Care Provider address and signs Authorization to Release Information).

E. Approval or Denial of Request.

- 1) We will respond to the resident or applicant by issuing the Approval or Denial of Request for a Reasonable Modification.

1.3 COMMUNICATION

Notifications of reexamination, inspection, appointment, or eviction will include information about requesting a reasonable accommodation. Any notification requesting action by the participant will include information about requesting a reasonable accommodation.

1.4 QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION

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

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

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

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

effective alternatives.

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

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

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

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

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

1.5 SERVICES FOR NON-ENGLISH SPEAKING APPLICANTS AND PARTICIPANTS

The SFHA will endeavor to have bilingual staff or access to people who speak languages other than English to assist non-English speaking families. The following languages will be accommodated:

- Spanish
- Chinese
- Samoan
- Russian
- Vietnamese

1.6 FAMILY/OWNER OUTREACH

The SFHA will publicize the availability and nature of the Section 8 Program for extremely low-income, very low and low-income families in a newspaper of general circulation, minority media, newspaper serving other ethnic populations including non-English publications and by other suitable means.

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

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

The SFHA will hold briefings for owners who participate in or who are seeking information about the Section 8 Program. The briefing is intended to:

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

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

1.7 RIGHT TO PRIVACY

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

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

In accordance with State and Federal Constitutional protections, the SFHA will respect the privacy of information relating to applicants, participants, and tenants in SFHA programs. Accordingly, personal information is deemed private and confidential and will be released only by authorization of the SFHA Director and written consent of the affected party or by court subpoena.

It is important to note that the privacy policy is applicable to the release of participant information and not the gathering and use of information necessary to ensure eligibility and compliance with program regulations. Except, as required by federal regulations, information will not be solicited by the SFHA unless directly attributed to carrying out the responsibilities of the agency.

1.8 REQUIRED POSTINGS

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

- A. The Section 8 Administrative Plan
- B. Notice of the status of the waiting list (opened or closed)
- C. Address of all SFHA offices, office hours, telephone numbers, TDD numbers, and hours of operation
- D. Income Limits for Admission
- E. Informal Review and Informal Hearing Procedures
- F. Fair Housing Poster
- G. Equal Opportunity in Employment Poster

1.9 *Conducting Business In Accordance With Professional Values And Ethical Standards*

All employees of the SFHA Section 8 Leased Housing Division shall conduct business with professional values and ethical standards as outlined in the SFHA Personnel Policy and adhere to the following code of conduct:

1. Comply with conflict of interest requirements of the Housing Choice Voucher Program pursuant to 24 CFR 982.161; and
2. Prohibit the solicitation or acceptance of gifts or gratuities in excess of a nominal value by any officer or employee of the SFHA; and
3. All employees of the SFHA are prohibited from participating in the Section 8 Housing Choice Voucher Program as a landlord in San Francisco.

2.0 SFHA /OWNER RESPONSIBILITY/ OBLIGATION OF THE FAMILY

This Section outlines the responsibilities and obligations of the SFHA, the Section 8 Owners/Landlords, and the participating families.

2.1 SFHA RESPONSIBILITIES

- A. The SFHA will comply with the consolidated ACC, HUD regulations and other requirements, and the SFHA Section 8 Administrative Plan.
- B. In administering the program, the SFHA must:
 - 1. Publish and disseminate information about the availability and nature of housing assistance under the program;
 - 2. Explain the program to owners and families;
 - 3. Seek expanded opportunities for assisted families to locate housing outside areas of poverty or racial concentration;
 - 4. Encourage owners to make units available for leasing in the program, including owners of suitable units located outside areas of poverty or racial concentration;
 - 5. Affirmatively further fair housing goals and comply with equal opportunity requirements;
 - 6. Make efforts to help disabled persons find satisfactory housing;
 - 7. Receive applications from families, determine eligibility, maintain the waiting list, select applicants, issue a voucher to each selected family, and provide housing information to families selected;
 - 8. Determine who can live in the assisted unit at admission and during the family's participation in the program;
 - 9. Obtain and verify evidence of citizenship and eligible immigration status in accordance with 24 CFR part 5;
 - 10. Review the family's request for approval of the tenancy and the owner/landlord lease, including the HUD prescribed tenancy addendum;
 - 11. Inspect the unit before the assisted occupancy begins and at least annually during the assisted tenancy;

12. Determine the amount of the housing assistance payment for a family;
13. Determine the maximum rent to the owner and whether the rent is reasonable;
14. Make timely housing assistance payments to an owner in accordance with the HAP contract;
15. Examine family income, size, composition at admission, and annually during the family's participation in the program. The examination includes verification of income and other family information;
16. Establish and adjust SFHA utility allowance;
17. Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action as determined by the SFHA, if the owner defaults (e.g., HQS violation);
18. Determine whether to terminate assistance to a participant family for violation of family obligations;
19. Conduct informal reviews of certain SFHA decisions concerning applicants for participation in the program;
20. Conduct informal hearings on certain SFHA decisions concerning participant families;
21. Provide sound financial management of the program, including engaging an independent public accountant to conduct audits; and
22. Administer an FSS program.

2.2 OWNER RESPONSIBILITY

- A. The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease.
- B. The owner is responsible for:
 1. Performing all management and rental functions for the assisted unit, including selecting a voucher holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.
 2. Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.

3. Complying with equal opportunity requirements.
 4. Preparing and furnishing to the SFHA information required under the HAP contract.
 5. Collecting from the family:
 - a. Any security deposit required under the lease.
 - b. The tenant contribution (the part of rent to owner not covered by the housing assistance payment.
 - c. Any charges for unit damage by the family.
 6. Enforcing tenant obligations under the lease.
 7. Paying for utilities and services (unless paid by the family under the lease.)
- C. For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities see 24 CFR 100.203.

2.3 OBLIGATIONS OF THE PARTICIPANT

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

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

The family is responsible for any HQS breach caused by the family or its guests.

C. Allowing SFHA Inspection

The family must allow the SFHA to inspect the unit at reasonable times and after at least 24 hours notice.

The family must grant the owner access to the unit, with reasonable notice (24 Hours), to complete repairs to the unit for which the owner is required by the SFHA to repair. Failure to give the owner timely access to the unit may result in termination of the family subsidy.

D. Violation of Lease

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

E. Family Notice of Move or Lease Termination

The family must provide the owner at least 30 day's notice in writing, with copy to SFHA before the family moves out.

F. Owner Eviction Notice

The family must promptly give the SFHA a copy of any owner eviction notice it receives.

G. Use and Occupancy of the Unit

1. The family must use the assisted unit for a residence by the family. The unit must be the family's only residence.
2. Prior to the SFHA approval of the composition of the assisted family residing in the unit, the owner must first authorize the addition of any household member. The SFHA will send the owner the appropriate form for the owner to sign. The SFHA must approve the composition of the assisted family residing in the unit. The family must promptly inform the SFHA of the birth, adoption or court-awarded custody of a child. The family must request approval from the SFHA to add any other family member as an occupant of the unit. No other person (i.e., no one but members of the assisted family) may reside in the unit (except for a foster child/foster adult or live-in aide as provided in paragraph (4) of this Section).
3. The family must promptly notify the SFHA if any family member no longer resides in the unit.

4. If the SFHA has given approval, a foster child/foster adult or a live-in aide may reside in the unit.
5. Members of the household may engage in legal profit making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family. Any business uses of the unit must comply with zoning requirements and the affected household member must obtain all appropriate licenses.
6. The family must not sublease the unit.
7. The family must not assign the lease or transfer the unit.

H. Absence from the Unit

The family must supply any information or certification requested by the SFHA to verify that the family is living in the unit, or relating to family absence from the unit, including any SFHA requested information or certification on the purposes of family absences. The family must cooperate with the SFHA for this purpose. The family must promptly notify the SFHA of its absence from the unit.

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

Authorized absences may include, but are not limited to:

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

I. Interest in the Unit

The family may not own or have any interest in the unit (except for owners of manufactured housing renting the manufactured home space and Homeownership Program). Owner cannot live in the assisted unit (except as defined under the Homeownership Program).

J. Fraud and Other Program Violation

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

K. Crime by Family Members

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

L. Other Housing Assistance

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

M. Live-In Aid

Anyone included in the household as a live-in aid may not be subsequently added to the household as a family member receiving assistance.

3.0 ELIGIBILITY FOR ADMISSION

3.1 INTRODUCTION

There are six eligibility requirements for admission to Section 8 -- qualifies as a family, has an income within the income limits, meets citizenship/eligible immigrant criteria, provides documentation of Social Security Numbers, meet SFHA requirements surrounding the prohibition of drug related and/or violent criminal activity, and signs consent authorization documents. In addition to the eligibility criteria, families must also meet the SFHA screening criteria in order to be admitted to the Section 8 Program.

3.2 ELIGIBILITY CRITERIA

A. Family status.

1. A family with or without children. Such a family is defined as a group of people related by blood, marriage, domestic partner or adoption that has demonstrated a stable family relationship.
 - a. Children temporarily absent from the home due to placement in foster care and college students are considered family members.
 - b. Unborn children and children in the process of being adopted are considered family members for purposes of determining bedroom size, but are not considered family members for determining income limit.
2. An elderly family, which is:
 - a. A family whose head, spouse, or sole member is a person who is at least 62 years of age;
 - b. Two or more persons who are at least 62 years of age living together; or
 - c. One or more persons who are at least 62 years of age living with one or more live-in aides
3. A near-elderly family, which is:
 - a. A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62;

- b. Two or more persons who are at least 50 years of age but below the age of 62 living together; or
 - c. One or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.
4. A disabled family, which is:
- a. A family whose head, spouse, or sole member is a person with disabilities;
 - b. Two or more persons with disabilities living together; or
 - c. One or more persons with disabilities living with one or more live-in aides.
5. A displaced family is a family in which each member, or whose sole member, has been displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.
6. A remaining member of a tenant family.
7. A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

B. Income eligibility

1. To be eligible to receive assistance a family shall, at the time the family initially receives assistance under the Section 8 program, be a low-income family that is:
- a. A very low-income family;
 - b. A low-income family continuously assisted under the 1937 Housing Act;
 - c. A low-income family that meets additional eligibility criteria specified by the Housing Authority;
 - d. A low-income family or moderate-income family that is displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing.

2. Income limits apply only at admission and are not applicable for continued occupancy; however, as income rises the assistance will decrease.
3. The applicable income limit for issuance of a voucher is the highest income limit for the family size for areas within the housing authority's jurisdiction. The applicable income limit for admission to the program is the income limit for the area in which the family is initially assisted in the program. The family may only use the voucher to rent a unit in an area where the family is income eligible at admission to the program.
4. Families who are moving into the SFHA's jurisdiction under portability and have the status of applicant rather than of participant at their initial housing authority, must meet the income limit for the area where they were initially assisted under the program.
5. Families who are moving into the SFHA's jurisdiction under portability and are already program participants at their initial housing authority do not have to meet the income eligibility requirement for SFHA program.
6. Income limit restrictions do not apply to families transferring units within the SFHA Section 8 Program.
7. Unit transfers
A participant may move to a new unit if one of the following events occurs:
 - The assisted lease for the old unit has terminated because the SFHA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family. The family must submit a completed "Mutual Agreement Termination" form
 - The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the family (unless assistance to the family will be terminated)
 - The family has given proper notice of lease termination to the owner and SFHA.

For voluntary moves by the family, the family must notify the SFHA, in writing, of their desire to move. The SFHA will issue a new voucher and other supporting documents. If the family does not locate a new unit or decides not to move, they must obtain the permission of the owner to remain in their current unit and notify the SFHA. If a new unit is located and a new lease and HAP contract executed, the annual recertification date will be changed

to coincide with the new lease date.

8. Adding members to a participating family

Family members will be added to the assisted household as follows:

1. Birth, adoption or court-ordered custody

The family must notify the SFHA, in writing, of the birth, adoption or court-ordered custody of all minor children to the assisted household. This written notice must be submitted within 14 days of the event and include appropriate documentation.

Documentation may include birth certificates, hospital records, adoption papers or court documents. It is the responsibility of the participant family to notify the owner of the changes. The SFHA shall send the owner a Request to Approve the additional household member prior to approving the addition of any household member.

Other additions

The family must request, in writing, and receive permission from the SFHA to add any other persons to the assisted household prior to the occupancy of those persons. The SFHA shall check the added family member's criminal background if they are an adult. In determining whether to approve the addition of the persons, the SFHA will consider:

1. The willingness of the current owner to accept the additional person(s);
2. Whether the person(s) meets the definition of family in this Admin Plan;
3. Whether the SFHA has appropriate grounds to deny assistance under 24 CFR 982.552 (b) to the person(s)(see Part A, Sec II under *Procedures for removing names from the waiting list*);
4. If a larger bedroom size unit is needed as a result of the addition, if funding is available to support the cost of the larger unit;
5. The relative need for housing of the person(s) proposed for addition;
6. Whether the person owes the SFHA money from a prior tenancy.
7. Whether the person has legal immigration status.

8. For minor children (other than children related by birth or adoption to the head-of-household or spouse), information that those children cannot be adequately housed elsewhere and placement of the children in the household has been acknowledged by a social welfare agency.

The SFHA may deny the request if a primary reason for the addition is to preserve the current bedroom size or to allow a family or individual to circumvent the requirements of the current waiting list or application process. If an owner refuses to permit the addition of anyone to the lease, the family may not permit the new member to be added to the household unless the tenant moves to a new unit.

Visitors

Any adult not included on the lease agreement who has been in the unit more than fifteen (15) consecutive days with HA approval will be considered to be living in the unit as an unauthorized household member.

Absence of evidence of any other address will be considered verification that the visitor is a family member.

Statements from neighbors and/or landlord will be considered in the making the determination.

Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the family and the HA will terminate assistance since prior approval was not requested for the addition.

C. Citizenship/Eligible Immigrant status

On June 19, 1995, HUD implemented Section 214 of the Housing and Community Development Act of 1980. This regulation required that Housing Authorities only provide housing assistance to citizens or eligible non-citizens. Ineligible non-citizens were to be denied admission to housing assistance programs or faced possible termination from housing assistance participation within three years.

On February 27, 1997, pursuant to its rights under the law, the SFHA opted out of the requirements of Section 214 of the Housing and Community Development Act of 1980 and no longer required families to certify their immigration status as a prerequisite to receiving housing assistance or continuing to receive housing assistance.

On October 21, 1998, Congress passed the Quality Housing and Work Responsibility Act (QHWRA) of 1998. This Act rescinded the SFHA's right to opt out of the certification requirements of Section 214. All Housing Authorities must now implement the requirements of Section 214 and verify the immigration status of all applicants and participants of subsidized housing programs.

Below are the proposed procedures of implementation to be used within the Leased Housing Division of the San Francisco Housing Authority (SFHA) to comply with the QHWRA of 1998.

The SFHA will administer the restrictions on the use of assisted housing by non-citizens with ineligible immigration status imposed by this rule in conformity with the Federal nondiscrimination requirements of, including, but not limited to the following:

- Title VI of the Civil Rights ACT of 1964(42 U.S.C. 2000d-2000d5) and the implementing regulations in 24 CFR Part 1;
- Section 504 of the Rehabilitation Act of 1973(29 U.S.C. 794) and the implementing regulations in 24 CFR Part 8;
- The Fair Housing Act(42 U.S.C. 3601-3619) and the implementing regulations in 24CFR Part 100; and
- Any other civil rights statutes cited in the applicable program regulations.

TENANT NOTIFICATION:

Each Section 8 assisted family and applicant will be sent a written notification of the non-citizen regulation. This process will occur through a mass mailing to all current Section 8 participants and applicants on the Section 8 waiting list. The notice will provide information about Section 214 of the Housing and Community Development Act of 1980, a statement of the types of required proof of verifications for those claiming eligible immigration status, a statement informing the family of the possible types of assistance they may be eligible for, the methods of verification to be used to verify a tenant's claim of eligible immigration status and a statement of possible extension to provide evidence needed to verify eligible immigration status. The notice will be available in various languages including Chinese, Spanish, Vietnamese, Russian and Cantonese.

Each client will also be provided with a copy of the notification at the point of notification for his or her annual re-certification along with the required documents to have during their office interview. This process will commence effective the Monday following passage of the resolution by the Board. During the interview process each

family member will be required to sign a Declaration of Citizenship Status statement. The head of household will be required to sign on behalf of all minor children. Any household consisting of non-citizens must sign the Verification Consent Form in order to authorize the HA to verify the family members' immigration status through the SAVE system. Each family member will be required to submit a declaration only once. Declarations will be required for all additional family members before they are added to the Section 8 assisted household.

All participants that have had their INS status verified and a record exists in their files will not be required to re-verify their status unless they are reporting a change in immigration status.

APPLICANT VERIFICATION:

Individuals or families applying for Section 8 housing assistance must provide proof of citizenship or eligible immigration status at the time of the final eligibility determination. If at that time, it is determined that the individual, family or family members do not have eligible immigration status, the provisions of the HUD rule as set forth shall be applied.

DECLARATION CATEGORIES:

Each client shall fall into one of three categories: 1) Citizen, 2) Non-Citizen with eligible immigration status, 3) Ineligible non-citizens. Only family members claiming non-citizenship with eligible immigration status will be verified, except person 62 years or older as of September 30, 1996. Persons 62 years of age on or after September 30, 1996 will be required to provide proof of their age. Persons claiming ineligible status will not be verified. Persons determined ineligible after verifications have been made or individuals not contesting ineligible citizenship status will be placed on an ineligible list.

DOCUMENTS OF ELIGIBLE IMMIGRATION STATUS:

- A) General – The HA shall request and review original documents of eligible immigration status. The HA shall retain photocopies of the documents for its own records and return the original documents to the family.
- B) Acceptable Evidence Of Eligible Immigration Status – The original of one of the following documents is acceptable evidence of eligible immigration status, subject to verification in accordance 24 CFR Section 5.512. (Note: Sample forms of acceptable evidence of eligible immigration status are illustrated in Appendix A of the INS SAVE Program Instructions Manual for HUD. SAVE is an acronym for Systematic Alien Verification for Entitlements.
 - 1) Form I-151-Alien Registration Receipt Card (issued to lawful permanent residents prior to 1979). Form I-151 will no longer be valid after March 20,

1996. Detailed information on how and where to apply for a new green card may be obtained by telephoning the INS toll-free number: 1-800-755-0777.

- 2) Form I-551, Alien Registration Receipt Card (for permanent resident aliens);
- 3) Form 1-94, Arrival-Departure Record, with one of the following annotations:
 - (a) “Admitted as Refugee Pursuant to Section 207”;
 - (b) “Section 208” or “Asylum”;
 - (c) “Section 243(h)” or “Deportation stayed by Attorney General”;
 - (d) “Paroled Pursuant to Section 212(d)(5) of the INA”;
- (4) If Form 1-94, Arrival-Departure Record, is not annotated, then accompanied by one of the following documents:
 - (a) A final court decision granting asylum (but only if no appeal is taken);
 - (b) A letter from an INS asylum officer granting asylum (if application filed before October 1, 1990);
 - (c) A court decision granting withholding of deportation; or
 - (d) A letter from an asylum officer granting withholding of deportation (if application filed on or after October 1, 1990)
- 5) Form I-688, Temporary Resident Card, which must be annotated “Section 245A” or “Section 210”;
- 6) Form I-688B, Employment Authorization Card which must be annotated “Provision of Law 274a12(11)” or “Provision of Law 274a.12”;
- 7) A receipt by the INS indicating that an application for issuance of a replacement document in one of the above-listed categories has been made and the applicant’s entitlement to the document has been verified; or

C) Other acceptable evidence. If other documents are determined by the INS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the Federal Register.

VERIFICATION PROCEDURES:

For applicants and Section 8 participants, family members claiming non-citizen with eligible immigration status will be verified through the use of the Immigration and Naturalization Service – System for Alien Verification for Entitlement (SAVE) Internet

Verification System. The SAVE system will be the primary method of verification. However, when the SAVE system does not confirm eligible status, or cannot find record to provide status, or verify immigration status, a manual verification system will be employed. Verification via the SAVE system shall not occur unless the family has signed a Verification Consent Form.

The manual verification will and must be requested within ten (10) days of receiving the primary verifications. The manual verifications will include: A signed Declaration of Section 214, Verification Consent form, front and back copies of the documents submitted by the family to support their claim and the INS phone verification number provided by the INS SAVE system. These forms will be sent to the CA-INS File Control Office/Appraisers Building/630 Sansome Street, Room 300-Attention: Immigration Status Verifier-San Francisco, CA 94102.

For each family member who is a United States citizen, the evidence consists of a signed declaration of U.S. citizenship.

For each family member electing not to confirm that he/she has eligible immigration status, the member(s) must be listed separately. A signature from the individual(s) is optional. However, the head of house or spouse with eligible immigration status must sign and date the list. No further verification is needed. The family electing not to declare citizenship status is ineligible for housing assistance.

EXTENSIONS:

Extensions will be granted upon the family's written request if the head of household certifies to the following: The family member for whom they are requesting an extension is a citizen or a non-citizen with eligible immigration status; and the evidence needed is temporarily unavailable and the additional time is needed to obtain the information; and they will make prompt and diligent efforts to obtain the evidence needed to verify the eligible immigration status. Extension will be granted for a period of fifteen (15) days with a maximum of thirty. However, the additional fifteen (15) days will be granted only at the request of the family.

The Leased Housing Department will supply the extension request notice to the tenant. Included in the notice will be the required certifications needed as grounds to allow an extension and a statement of understanding that if the family is granted an extension and fails to submit the needed evidence a decision will be made based on the information in the file and the family's assistance may be reduced or terminated. A family may submit a written request for an extension that will be acceptable to the Housing Authority's Leased Housing Division.

If a family is granted an extension and fails to supply the needed evidence within the specified time stated, the Housing Authority will make a decision based on the information already submitted, or not submitted by the family. The family will receive a written notification of the decision that was made. Included with the notice will be a

right to appeal statement informing the family of the right to request a hearing and a hearing request form.

FAMILY TYPE DETERMINATION:

Family type will be determined for all Section 8 clients. The family types are: Members claiming citizenship, non-citizen with eligible immigration status, non-citizen status.

Families eligible for continued full assistance are:

- 1) A family containing all citizens.
- 2) A family with mixed members that include citizens and non-citizens with eligible immigration status; and either the head or spouse has eligible immigration status; and does not include ineligible family members other than the children or parents of the head or spouse; and was receiving assistance prior to June 19, 1995. A mixed family receiving assistance after June 19, 1995 shall be eligible for prorated assistance.

A family eligible for prorated assistance is:

- 1) A family that includes eligible and ineligible family members .

Families eligible for deferred termination are:

- 1) A family that includes no eligible family members.
- 2) A family not eligible for continued assistance that includes eligible and ineligible family members and elects not to accept prorated assistance.

PRORATED ASSISTANCE:

A family receiving prorated assistance will receive assistance only for those family members that are eligible family members. The Housing Assistance Payment will be calculated by dividing the HAP payment by the total number of family members and then multiplied by the total number of eligible family members.

$$\frac{\text{Total HAP Payment}}{\text{Total family members}} \quad X \quad \text{Eligible Family Members}$$

DEFERRED TERMINATIONS:

A family receiving deferred termination will receive the full assistance amount for an amount of time to be determined by the HA, but not more than six (6) months at a time for a maximum of eighteen (18) months. However, at the end of the deferral period the family's assistance will be completely terminated.

A family under a deferred termination will be called into the office at least every six months to review their eligibility for additional deferral periods. This will be tracked through the use of the Division's CCS computer system by installing a bi-yearly anniversary date into the system. Families opting for deferred termination must verify that they have been actively searching for alternate housing and conditions set forth in 24 CFR Section 5.518 (b)(5)(i)(B) are met to qualify for additional six-month deferral periods. However, at no time can the total cumulative allowable deferral time exceed eighteen (18) months.

SWITCHING SUBSIDY TYPES

Prior to expiration of the final deferral period, families may request to be switched to prorated assistance if it can be shown by the PHA that there is an inadequate supply of affordable housing for the area which is generally defined as having a vacancy rate of five percent (5%) or less.

NOTIFICATION PERIOD

A family must be notified in writing sixty (60) days prior to the expiration of a deferral period and that the deferral period will be extended again for an additional period of six months provided that an additional deferral period does not exceed the maximum deferral period of eighteen (18) months.

In addition, a family must be notified in writing sixty (60) days prior to expiration of the deferral period if it is determined that no further deferral periods are permitted because the family has utilized all eighteen (18) months of time.

Staff will keep a tickler file of all families who choose deferred termination to monitor and track the number of deferral periods granted and the point at which notification must be sent to each family.

STAFF VERIFICATIONS:

Any family member who declares him or herself to be an eligible non-citizen must have their immigration status verified by the SFHA staff utilizing the INS Internet-Based SAVE system. All staff persons within the Leased Housing Division will be trained to use the INS SAVE system. However, in the case of secondary manual verifications three staff persons will be trained in these procedures with one staff person responsible for the submission and follow-up on these verification. Any staff member needing a secondary

verification will submit copies of the signed Declaration of Section 214 Status, Verification Consent Form, the primary request verification and copies of the documents the family submitted as evidence to the designated person.

Each staff person submitting information will be required to keep a log of the name of the families for whom they have submitted requests. The assigned staff person will provide, once a month, to the staff a list of their clients for whom the verification process has been completed. The assigned staff person will be responsible to follow-up with the INS for families for which no response is returned by the INS.

Once secondary verification is obtained, staff will notify the family of the results only if secondary verification could not be provided or could not verify eligible immigration status.

APPEALS AND HEARING:

A family must file an appeal within thirty (30) days with the INS after secondary verification fails to confirm eligible immigration status. Any decision to reduce or terminate the family's assistance will be temporarily suspended pending the outcome of the INS hearing. However, the family must inform the HA of its intent to file an appeal with the INS by supplying the HA with a copy of the appeal notice and proof of service to the agency. (A copy of INS Verification Request G845S and a cover letter will serve as proof.)

If the INS appeal hearing does not verify eligible immigration status the HA will determine the family type and send written notification of its decision to the family. The family may request a hearing with the HA within thirty (30) days of the date the HA mails or delivers the notice of pro-ration or termination, or within thirty days of the INS appeal decision, as established by the postmark. The family may also choose to file a request for an informal hearing in lieu of the INS appeal within thirty (30) days of the INS notification of failure to confirm eligible immigration status.

DELAY, DENIAL, OR TERMINATION OF ASSISTANCE:

The SFHA shall not delay or deny assistance to an applicant nor delay, deny or terminate assistance to a tenant on the basis of immigration status of a family member if:

1. The primary and secondary verification of any immigration documents that were timely submitted have not been completed;
2. The family member for whom required document evidence has not been submitted has moved from the tenant's dwelling;
3. The family member who is determined not be an eligible immigrant following INS verification has moved from the tenant's dwelling;
4. The INS appeals process has not been concluded;
5. For a resident, the SFHA informal hearing process has not been concluded;

6. Assistance is pro-rated;
7. Assistance to a mixed-family is continued; or
8. Assistance to an applicant may be delayed after the conclusion of the INS appeal process, but not denied until the conclusion of the SFHA informal hearing process, if an informal hearing is requested by the applicant.

Assistance to an applicant shall be denied and a tenant's assistance shall be terminated in accordance with the procedures for any of the following events:

1. Evidence of citizenship (i.e. the Declaration) and eligible immigration status is not submitted by the date specified or by the date of any extension granted; or
2. Evidence of citizenship and eligible immigration status is submitted timely, but INS primary and secondary verification does not verify eligible immigration status of a family member; and
 - a) The family does not pursue INS appeal or SFHA hearing rights; or
 - b) INS appeal and the SFHA hearing rights are pursued, but the final appeal or hearing decisions is decided against the family member; and
 - c) The assisted family is ineligible for prorated assistance.

FRAUD

PROCEDURES WHEN FRAUD IS SUSPECTED WITH RESPECT TO A DECLARATION OF CITIZENSHIP

The non-citizen rule added an *eligibility* requirement for applicants/residents/program participants to obtain or continue housing assistance. Applicants are required to sign a declaration of citizenship or immigration status at the time of the interview. Residents or program participants are required to submit the declaration at the time of the first annual re-certification after the June 19, 1995 effective date.

The regulations specify that the evidence of citizenship is a signed declaration- No further verification is required,

The 1988 proposed rule included a "reason to Suspect" provision which authorized housing authorities to begin termination Procedures whenever it obtained evidence of conflicting or inconsistent information regarding an individual who had claimed U.S. citizenship. This *provision was deleted from the final rule.*

If the Housing Authority receives concrete information that provides a substantial basis to believe the applicant/resident/program participant may have deliberately misrepresented his or her eligibility status and is receiving financial assistance for which the family may not be eligible, the Housing Authority shall take the steps set forth below.

IT IS IMPERATIVE THAT THE INFORMATION IS CONCRETE RATHER THAN JUST A STAFF PERSON'S SUSPICION.

1. When the Authority obtains concrete evidence of conflicting information, the Authority will:
 - Obtain additional information from other persons or agencies
 - Take other actions to verify either the applicant/resident/program participant's information or the conflicting information
2. If the Authority's efforts conclude that the applicant/resident/program participant supplied incorrect information, then staff must:
 - Document the findings
 - Notify the applicant/resident/program participant in writing of the error, identifying what information is believed to be incorrect
 - Provide the applicant/resident/program participant with an opportunity to meet with SFHA staff within 10 calendar days to discuss the allegation(s)
 - Inform the applicant/resident/program participant that failure to do so may result in the termination of the resident/program participant's assistance or denial of the application
 - Arrange the meeting with a SFHA representative who has not been involved in any manner with the review of the allegedly false information.
3. If the applicant/resident/program participant responds and convinces the Authority that the submissions were correct, then:
 - Staff shall document the record accordingly and close the investigation.
 - Rental assistance payments continue to be made at the set amount.
 - There is no adjustment to the applicant/resident/program participant's rent.

END OF INVESTIGATION

1. If the Authority determines that there is adequate basis for further investigation, then the Authority should require the applicant/resident/program participant to submit whatever documentation is necessary to resolve the issue.
2. If the applicant/resident/program participant chooses to provide a new declaration as an eligible non-citizen, then:
 - Staff shall have the applicant/resident/program participant complete a verification consent form and submit required evidence.
 - Staff shall conduct a primary verification and, if necessary, forward that information to the INS for secondary verification.
3. If the applicant/resident/program participant is still found ineligible at the end of the Verification process or chooses not to contend eligible status, then the Authority shall take the appropriate action to:
 - Adjust the rent
 - Terminate the assistance
 - Deny the application

Families who knowingly permit an ineligible individual to reside on a permanent basis in the family's unit shall have their financial assistance suspended for a minimum period of twenty-four (24) months.

4.0 ADMINISTRATION OF WAITING LIST

4.1 OPENING THE WAITING LIST

Applications for the Section 8 Program may only be made when the Section 8 waiting list is open for applications

The SFHA will accept applications for placement on the waiting list at which time the applicant will self-declare their eligibility based on the eligibility requirements noted in the published announcement of the opening of the waiting list. Just prior to issuing a voucher, applicants will be required to complete an application for final eligibility determination whereby the SFHA staff will verify all income, assets and the preferences declared by the applicant during the pre-application stage.

Pre-applications will only be accepted during the advertised periods of enrollment. These enrollment periods are determined based upon the need for the SFHA to augment its waiting list so that the SFHA will have a sufficient number of applicants to maintain an adequate level of occupancy. Generally, enrollment will be accepted when the remaining applicants on the current waiting list are expected to be contacted for assistance within the next twelve months.

The Section 8 waiting list will remain closed except for periods of targeted outreach to meet regulatory requirements under the Project-Based Voucher Program.

4.2 APPLICATION PROCESS

The SFHA will take pre-applications pursuant to a public advertisement. Pre-application intake will be announced to the public at least 15 days prior to the start of the pre-application process. Advertisements will be placed in the following:

- San Francisco Chronicle
- Minority-owned and foreign language newspapers
- Posting in the lobby of the SFHA office at 440 Turk Street and the Leased Housing Division office.
- Posting in offices of the Public Housing developments of the SFHA
- Radio and television stations in order to inform the visually impaired
- Notices circulated for posting at social service agencies, community centers and Bay Area Public Housing Agencies.

The advertisement will inform interested parties of the pre-application system to be used by the SFHA; the dates, times and locations pre-applications can be obtained; the deadline date, method and location for submitting the pre-applications and basic eligibility requirements. In addition, the advertisement will indicate that only applications received by the deadline shall be considered for the waiting list.

4.3 RANKING METHOD

Pre-applications will be selected from the total applicant pool and assigned a date and time by random lottery and assigned a unique date and time of application and ranked on the waiting list by preference category. The pre-application will ask applicants to designate which priority category they believe they will qualify for. Pre-applications will be sorted within each preference category by the randomly generated unique date and time assigned to each family and a list generated in rank order.

Each applicant will be provided with a description of all SFHA preferences and will be required to self-certify, at the time of pre-application, whether the household qualifies for a preference. Selection from the waiting list will be based on pre-applicant self-certification. At the time of final eligibility determination, SFHA applicants will be required to certify to all information they provide to SFHA and to sign verification forms permitting the release of information from verifying agencies, including the Authorization to Release Information/Privacy Act Notice form which is a general release form. Documentation of all verifications will be placed in the applicant/participant file.

Family income and assets and all factors related to eligibility must be verified, including preferences and immigration eligibility. Verifications must be completed before an applicant will be issued a voucher except as authorized by Section 214 of the Housing and Community Development Act of 1980 regarding INS certification. SFHA will use third party verification whenever possible. This will include mailing forms directly to the third party and having them mailed back to SFHA. If third party written verification is not possible, SFHA will review documents brought in by applicants/current participants or obtain oral verification with the third party by phone, documenting name, department, position, date of verification and other pertinent information. If there are no documents, SFHA may use a notarized applicant certification for verification.

If the priority category changes for any reason, the applicant will be placed in the appropriate preference category sorted by application date and time.

4.4 CLOSING OF THE WAITING LIST

The advertisement opening the waiting list will also specify when the period for submitting pre-applications will end. As such, there will not be a need to separately advertise the closing of the list. A notice will be posted in the lobby of the main office of the SFHA (440 Turk Street) and the Leased Housing Division office advising interested

parties that the SFHA is not accepting pre-applications for the Section 8 voucher program.

5.0 SELECTION FROM THE WAITING LIST

5.1 WAITING LIST ADMISSIONS AND SPECIAL ADMISSIONS

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

In cases where two “regular” wait lists overlap, applicants on the existing wait list receive priority over applicants on a new wait list. All applicants will be called in for eligibility determination prior to selecting any families from the new wait list.

If HUD awards funding that is targeted for families with specific characteristics or families living in specific units, the SFHA will use the assistance for those families.

The SFHA reserves the right to open the Section 8 Wait List in order to permit interested applicants to apply to the Section 8 Program for Project-based activity.

5.2 PREFERENCES

In accordance with the Quality Housing and Work Responsibility Act of 1998, SFHA will administer its Section 8 programs so that the following Income Targeting objectives are achieved for the period from April 1, 1999 through September 30, 2000, and for each fiscal year thereafter:

- Not less than 75% of new admissions to the tenant-based Section 8 assistance program must have incomes at or below 30% of the area median family income.
- The remainder of new admissions to the tenant-based Section 8 assistance program will have incomes at or below 80% of the area median family income, in accordance with HUD guidelines which generally limit admissions to families with incomes at or below 50% of the area median.
- Not less than 40% of new admissions to project-based Section 8 assistance programs must have incomes at or below 30 % of the area median income.
- The remainder of new admissions to project-based Section 8 assistance programs must have incomes at or below 80% of the area median.]

Notwithstanding the above, if necessary to meet the statutory requirement that 75% of newly admitted families in any fiscal year be families who are extremely low-income, the SFHA retains the right to skip higher income families on the waiting to reach extremely low-income families. This measure will only be taken if it appears the goal will not otherwise be met. To ensure this goal is met, the Housing Authority will monitor incomes of newly admitted families and the income of the families on the waiting list.

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

The SFHA has adopted the Federal Preferences as Local Preferences in administering its assisted housing programs.

The SFHA employs the following system of local preferences in administering its wait list. The local preferences consist of (a) involuntarily displaced, (b) substandard housing and (c) paying more than 50% of income for housing. The SFHA will weigh each local preference equally. That is, an applicant that meets the federal definition of any or all of the local preferences will receive an equal priority. The Local Preferences are defined as follows:

1. INVOLUNTARY DISPLACEMENT:

An applicant is or will be involuntarily displaced if the applicant has vacated or will have to vacate his or her housing unit as a result of one or more of the following actions:

Natural Disaster: a disaster such as a fire, flood or earthquake that resulted in the uninhabitability of the applicant's unit.

Domestic Violence: an applicant who has vacated due to actual or threatened physical violence directed against the applicant or one or more members of the applicant's family by a spouse or other household member, who lives in housing with an individual who engages in such violence.

Government Action: an action of a government agency related to code enforcement or public improvement or development.

Landlord Action: an action by a housing owner that results in an applicant's having to vacate his or her unit, where the reason for the owner's action was beyond the applicant's ability to control or prevent, and despite the applicant having met all previously imposed conditions of occupancy, and the action is other than a rent increase.

2. SUBSTANDARD HOUSING:

Homeless: An applicant who is a "homeless family" shall be considered to be living in substandard housing if the individual or family:

Lacks a fixed regular, and adequate nighttime residence; and

Has a primary residence that is:

A supervised publicly or privately operated shelter designed to provide temporary living accommodations, (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); or

An institution that provides a temporary residence for individuals intended to be institutionalized; or

A public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings.

A "homeless family" does not include any individual imprisoned or otherwise detained pursuant to state or federal law.

Non-Homeless: A non-homeless family is living in substandard housing if their present unit meets any of the following criteria: it is "dilapidated;" it does not have operable indoor plumbing; it does not have a usable flush toilet and a usable bathtub or shower inside the unit for the exclusive use of the family; it does not have electricity, or has inadequate or unsafe electrical service; it does not have a safe or adequate source of heat; it should, but does not have a kitchen, or it has been declared unfit for habitation by a government agency. A housing unit is "dilapidated" if it does not provide safe and adequate shelter, and in its present condition endangers the health, safety, or well-being of a family or it has one or more critical defects or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding. The defects may have resulted from the original construction, or from continued neglect or lack of repair, or from serious damage to the structure.

3. PAYING MORE THAN 50% OF INCOME FOR HOUSING:

An applicant shall qualify for this federal preference if the family is paying more than 50 percent of the total family income for rent. However, an applicant may not qualify for a preference under this section if the applicant is paying more than 50 percent of family income to rent a unit because his or her housing assistance under the public housing, Section 8 program, or any program under the Housing and Urban Development Act of 1965 with respect to that unit has been terminated as a result of the applicant's refusal to comply with applicable program policies and procedures with respect to the occupancy of under-occupied and overcrowded units.

The SFHA has adopted the following as secondary local preferences:

1. Residency status: A family is considered a "resident" of the City and County of San Francisco, if (a) they live in San Francisco or (b) the head of household or spouse is employed or has been notified that he/she has been hired to work in San Francisco. The Family must submit documentation that provides a current address of residency or employment and sign a waiver to permit the SFHA to verify the address.
2. Veterans status: A member of the United States Armed Forces honorable discharged from service or currently listed and is the head of house hold or spouse of the applicant family. Verification will be provided by the Veterans Administration.
3. Welfare to Work: A participant who is in good standing in the Welfare to Work Program associated with CALWORKS and the Department of Human

Services, or similar Government Agency, for the purposes of self sufficiency from Public Assistance.

Notwithstanding the wait list preferences listed above, for in-place tenants on the date of project selection of Project-Based Voucher units, they will be added to the Section 8 Wait List and be given an absolute preference to be assigned a PBV unit in their assisted property.

5.3 ORDER OF SELECTION

The SFHA will rank and admit applicants from the waiting list in accordance with the following priority categories:

Level of Priority	Category One	Category Two	Category Three	Category Four
1	Local Preference	Resident	Veteran	Welfare to Work
2	Local Preference	Resident	Veteran	Non-Welfare to Work
3	Local Preference	Resident	Non-Veteran	Welfare to Work
4	Local Preference	Resident	Non-Veteran	Non-Welfare to Work
5	Local Preference	Non-Resident	Veteran	Welfare to Work
6	Local Preference	Non-Resident	Veteran	Non-Welfare to Work
7	Local Preference	Non-Resident	Non-Veteran	Welfare to Work
8	Local Preference	Non-Resident	Non-Veteran	Non-Welfare to Work
9	No Local Preference	Resident	Veteran	Welfare to Work
10	No Local Preference	Resident	Veteran	Non-Welfare to Work
11	No Local Preference	Resident	Non-Veteran	Welfare to Work
12	No Local Preference	Resident	Non-Veteran	Non-Welfare to Work
13	No Local Preference	Non-Resident	Veteran	Welfare to Work
14	No Local Preference	Non-Resident	Veteran	Non-Welfare to Work

15	No Local Preference	Non-Resident	Non-Veteran	Welfare to Work
16	No Local Preference	Non-Resident	Non-Veteran	Non-Welfare to Work

5.4 UPDATING OF THE WAITING LIST

In order to ensure the waiting list is accurate and current, the SFHA will update the waiting list periodically, but no more than annually, by requesting each household to submit a revised pre-application form. The following guidelines will govern update procedures:

- The SFHA will mail an update request letter and a blank pre-application form to each household on the waiting list.
- The request will be mailed to the applicant's last known address. Applicants will be advised in the eligibility letter of their responsibility to notify the SFHA, in writing, of any address changes. If the applicant fails to notify the SFHA of an address change, the SFHA accepts no responsibility for the applicant's failure to receive the update request.
- The update request letter will include a deadline date by which applicants must return the pre-application and will specify return by mail or in person. The letter will inform the applicant that if the SFHA fails to receive the updated pre-application form by the deadline date, the applicant's name will be removed from the waiting list.
- Applicants will be given a reasonable time to complete and return the updated pre-applications, generally not less than 14 calendar days.
- The SFHA accepts no responsibility for delays created by the United States Postal Service.
- The SFHA will make reasonable accommodations for the special needs of disabled applicants if the SFHA has been made aware of those needs.
- The SFHA will acknowledge all updated pre-applications received, in writing, to each applicant which will include a determination of eligibility, ineligibility or change in preference status.

5.5 PROCEDURES FOR REMOVING NAMES FROM THE WAITING LIST

The SFHA will not remove an applicant's name from the waiting list unless:

- A. The applicant requests that the name be removed;

- B. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program or misses scheduled appointments; or
- C. The applicant does not meet either the eligibility or screening criteria for the program.

If an applicant is withdrawn from the application process for any reason due to non-response to correspondence by the family, the SFHA may re-instate the application upon contact by the family within one year of the withdraw date provided the family provides a reasonable explanation for the lack of contact with the SFHA during the withdraw period that is acceptable to the SFHA.

Consideration will be given to families who fail to respond to correspondence due to a disability to determine if an accommodation is warranted or in cases where an emergency situation, such as hospitalization, fire, death, etc., has arisen . The applicant family will be required to prove their claim to the SFHA's satisfaction to receive further consideration.

5.6 REFUSAL TO LIST AN APPLICANT OR REMOVAL OF AN APPLICANT FOR SPECIFIC GROUNDS

The SFHA may deny listing an applicant on the waiting list, remove an applicant from the waiting list, deny or withdraw a voucher, refuse to enter into a Housing Assistance Payments (HAP) Contract or approve a lease and refuse to process or provide assistance under portability assistance for any of the reasons listed in 24 CFR 982.552 (b) (violation of family obligations; member of family previously evicted from public housing; HA has terminated assistance to any member of the family in the past; member of family convicted of drug-related or violent criminal activity; member of family commits crime in connection with any federal housing program; family owes rent to SFHA or another HA; family has not reimbursed SFHA or another HA for amount paid to an owner under a HAP contract; family breaches an agreement with SFHA or another HA to repay amounts owed; family participating in the FSS program fails to comply with the contract of participation; family engaged in or threatened abusive or violent behavior). If denied under this paragraph, the SFHA will provide notice and offer the applicant an informal review in accordance with procedures in part L of this Admin Plan.

5.7 GROUNDS FOR DENIAL

The SFHA may deny assistance to applicants who:

- A. Do not meet any one or more of the eligibility criteria;
- B. Do not supply information or documentation required by the application process;

- C. Fail to respond to a written request for information or a request to declare their continued interest in the program;
- D. Fail to complete any aspect of the application or lease-up process;
- E. Have a history of criminal activity by any household member involving crimes of physical violence against persons or property, and any other criminal activity including drug-related criminal activity that would adversely affect the health, safety, or well being of other tenants or staff, or cause damage to the property. In determining whether to deny assistance, the SFHA will review criminal background checks for all adults and look at criminal activity list for the past ten (10) years. Any drug activity from 0 to 10 years old will result in automatic denial. Applicant may appeal upon denial and present mitigating evidence.
- F. Currently owes rent or other amounts to any housing authority in connection with the public housing or Section 8 Programs.
- G. Have committed fraud, bribery, or any other corruption in connection with any Federal housing assistance program, including the intentional misrepresentation of information related to their housing application or benefits derived there from;
- H. Have a family member who was evicted from public housing within the last three years;
- I. Have a family member who was evicted from assisted housing within five years of the projected date of admission because of drug-related criminal activity involving the illegal manufacture, sale, distribution, or possession with the intent to manufacture, sell, distribute a controlled substance as defined in Section 102 of the Controlled Substances Act, 21 U.S.C. 802;
- J. Have a family member who is illegally using a controlled substance or abuses alcohol, or engages in any other criminal activity which may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The SFHA may waive this requirement if:
 1. The person demonstrates to the SFHA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
 2. The person has successfully completed a supervised drug or alcohol rehabilitation program;

3. The household member who engaged in drug-related criminal activity or alcohol abuse and behavior that interfered with the health and safety or right to peaceful enjoyment of the premises by other residents is removed from the family household composition;
 4. The person has otherwise been rehabilitated successfully as determined by the SFHA based on evidentiary supporting material; or
 5. The person is participating in a supervised drug or alcohol rehabilitation program.
- K. Have engaged in or threatened abusive or violent behavior towards any SFHA staff or residents;
 - L. Have a family household member who has been terminated under the Voucher Program during the last three years;
 - M. Have a family member who has been convicted of manufacturing or producing methamphetamine (speed) (Denied for life);
 - N. Have a family member with a lifetime registration under a State sex offender registration program (Denied for life).
 - O. Anyone enrolled in an institution of higher education and is under 24 years of age; is not a veteran; is unmarried; does not have dependent children; is not otherwise individually eligible or has parents who, individually or jointly, are not eligible on the basis of income to receive assistance under the Section 8 Program.
 - P. Who engages in criminal acts or threatened acts of violence or stalking to family members or others without terminating the assistance or evicting victimized lawful occupants.

5.8 INFORMAL REVIEW

If the SFHA determines that an applicant does not meet the criteria for receiving Section 8 assistance, the SFHA will promptly provide the applicant with written notice of the determination. The notice must contain a brief statement of the reason(s) for the decision, and state that the applicant may request an informal review of the decision within 10 business days of the denial. The SFHA will describe how to obtain the informal review. The informal review process is described in Section 15.2 of this Plan.

If an applicant is denied admission due to criminal activity listed on a criminal record, a copy of the criminal record shall be provided to the applicant and the applicant shall be given an opportunity to dispute the decision in the Informal Review process.

6.0 ASSIGNMENT OF BEDROOM SIZES (SUBSIDY STANDARDS)

The SFHA will issue a voucher for a particular bedroom size – the bedroom size is a factor in determining the family’s level of assistance. The following guidelines will determine each family’s voucher size:

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

These standards are based on the assumption that each bedroom will accommodate no more than two (2) persons. Two adults of the same sex related by blood will share a bedroom.

In determining bedroom size, the SFHA will include the presence of children to be born to a pregnant woman, children who are in the process of being adopted, children whose custody is being obtained, children who are temporarily away at school or temporarily in foster-care.

Bedroom size will also be determined using the following guidelines:

- A. Household members of the same sex, regardless of age, will share a bedroom.
- B. Children of the opposite sex, both under the age of three (3) will share a bedroom.
- C. A parent and child, regardless of age, may be issued a two-bedroom Voucher.
- D. Live-in aides may get a separate bedroom.

Single person households will be issued a Studio Voucher. However, should the family locate a one-bedroom unit, the SFHA reserves the right to upgrade the family’s Voucher to a one-bedroom subsidy.

The SFHA will grant exceptions to normal occupancy standards when a family requests a larger size than the guidelines allow and documents a medical reason why the larger size is necessary. In general, valid reasons for larger BR size Vouchers should document the family’s need for medical equipment that would not ordinarily be accommodated in the appropriately sized unit as a result of a disability. However, the SFHA reserves the right to review each case on an individual basis to make final determination of the need for an additional bedroom.

6.0.1 OCCUPANCY STANDARDS

The SFHA will follow an occupancy policy, which prevents overcrowding of units or under utilization of units. The following guidelines shall determine the minimum and maximum number of occupancy per unit size:

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
SRO	1	1
0	1	2
1	1	4
2	2	6
3	3	8
4	4	10

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

The SFHA shall consider Single Room Occupancy (SRO) units for occupancy under the tenant-based Housing Choice Voucher Program exclusively as a reasonable accommodation for a person with disabilities.

6.1 BRIEFING

When the SFHA selects a family from the waiting list, the family will be invited to attend a briefing explaining how the program works. In order to receive a voucher the family is required to attend the briefing. If they cannot attend the originally scheduled briefing, they may attend a later session. Failure to attend a briefing without good cause may result in denied admission. The family will be given an opportunity to reschedule a briefing only once.

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

The briefing will cover at least the following subjects:

- A. A description of how the program works;
- B. Family and owner responsibilities;
- C. Where the family may rent a unit, including inside and outside the Housing Authority's jurisdiction;
- D. Types of eligible housing;
- E. For families qualified to lease a unit outside the Housing Authority's jurisdiction under portability, an explanation of how portability works;
- F. An explanation of the advantages of living in an area that does not have a high concentration of poor families; and
- G. An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income at initial unit lease up.

6.2 PACKET

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

- A. The term of the voucher and the Housing Authority's policy on extensions and suspensions of the term. The packet will include information on how to request an extension and forms for requesting extensions;

- B. How the Housing Authority determines the housing assistance payment and total tenant payment for the family;
- C. Information on the payment standard, exception payment standard rent areas, and the utility allowance schedule;
- D. How the Housing Authority determines the maximum rent for an assisted unit;
- E. Where the family may lease a unit. For families qualified to lease outside the Housing Authority's jurisdiction, the packet includes an explanation of how portability works;
- F. The HUD-required tenancy addendum that provides the language that must be included in any assisted lease, and a sample contract;
- G. The request for approval of the tenancy form and an explanation of how to request Housing Authority approval of a unit;
- H. A statement of the Housing Authority's policy on providing information to prospective owners. This policy requires applicants to sign disclosure statements allowing the Housing Authority to provide prospective owners with the family's current and prior addresses and the names and addresses of the landlords for those addresses. Upon request, the Housing Authority will also supply any factual information or third party verification relating to the applicant's history as a tenant or their ability to comply with material standard lease terms or any history of drug trafficking, drug-related criminal activity or any violent criminal activity;
- I. The Housing Authority's subsidy standards, including when the Housing Authority will consider granting exceptions to the standards;
- J. The HUD brochure on how to select a unit ("A Good Place to Live");
- K. The HUD-required lead-based paint brochure;
- L. Request For Extension Form
- M. Housing Search Tracking Form
- N. Information on Federal, State, and local equal opportunity laws; the brochure "Fair Housing: It's Your Right;" and a copy of the housing discrimination complaint form;

- O. A list of landlords or other parties known to the SFHA who may be willing to lease a unit to the family or help the family find a unit;
- P. Notice that if the family includes a person with disabilities, the family may request a current list of accessible units known to the SFHA that may be available;
- Q. The family's obligations under the program;
- R. The grounds upon which the Housing Authority may terminate assistance because of the family's action or inaction;
- S. SFHA informal hearing procedures, including when the Housing Authority is required to provide the opportunity for an informal hearing, and information on how to request a hearing; and
- T. The SFHA owner information brochure. This brochure can be given by the applicant to a prospective owner to help explain the program.

6.3 *ISSUANCE OF VOUCHER; REQUEST FOR APPROVAL OF TENANCY*

Beginning October 1, 1999, the SFHA will issue only vouchers. Treatment of previously issued certificates and vouchers will be dealt with as outlined in Section 20.0- Transition to the New Housing Choice Voucher Program.

The number of vouchers that the SFHA can issue at any time is based on the amount of Annual Contributions available to the program. When the SFHA determines that sufficient funding is available to support additional assisted units, applicants at the top of the waiting list will be scheduled to come to the SFHA to fill out the final application and attend a briefing session. Information used in the final application will be verified as indicated above under Section 3.0. The SFHA may "over-issue" the number of vouchers in order to account for voucher holders who are unsuccessful in locating housing.

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

All families issued a voucher for the first time (defined as selected off the wait list) must live in San Francisco for the initial 12-month term of their assisted tenancy. Portability can only be exercised after the initial term.

Exceptions will be considered on a case by case basis for disabled households, family medical emergencies, death in the family, domestic violence, documented

secured job or educational opportunities or as deemed appropriate by the Program Administrator or his designee.

When the family finds a unit that the owner is willing to lease under the program, the family and the owner will complete and sign a Request for Tenancy Approval (RTA) and return it to the SFHA. The family can only submit the RTA to the SFHA during the term of the voucher. The SFHA will contact the owner and schedule an inspection of the unit to make an initial determination of approval of tenancy within 15 days of receipt of the RTA. The SFHA may assist the family in negotiating changes that may be required for the tenancy to be approvable. The 15 day period is suspended during any period the unit is unavailable for inspection. The Housing Authority will promptly notify the owner and the family whether the unit and tenancy are approvable.

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

Additional screening is the responsibility of the owner. Upon request by a prospective owner, the SFHA will provide any factual information or third party written information they have relevant to a voucher holder's history of, or ability to, comply with standard material lease terms.

6.4 TERM OF THE VOUCHER

The initial term of the voucher will be 90 days and will be stated on the Housing Choice Voucher. The start date of the Voucher will be the date the Voucher is provided to the applicant or participant. The SFHA will maintain a Register of issued Vouchers to track the term of the Voucher.

The Housing Authority may grant one or more extensions of the term, but the initial term plus any extensions will never exceed 180 calendar days from the initial date of issuance. To obtain an extension, the family must make a request in writing prior to the expiration date. A statement of the efforts the family has made to find a unit must accompany the request. A sample extension request form and a form for recording their search efforts will be included in the family's briefing packet. If the family documents their efforts and additional time can reasonably be expected to result in success, the Housing Authority will grant the length of request sought by the family or 90 days, whichever is less.

On November 22, 1999, the U S Department of Housing and Urban Development (HUD) transferred to the SFHA the discretion to extend the cumulative voucher

term beyond the 180-day limit, whether for reasonable accommodation or, other good cause determined by the SFHA. Therefore, the SFHA will follow the procedures listed below when granting extension for vouchers beyond the 180 days.

If a voucher is due to expire, the voucher holder may request an extension of the voucher. In order for a request for an extension to be considered by the SFHA, the following conditions must be met:

1. The request for an extension must be in writing,
2. The request must be made prior to the expiration of the voucher.
3. The voucher holder must provide documentation that demonstrates the failure to locate suitable housing was due to an unavailability of housing, unavailability of housing that accommodates a disability, a prolonged illness of the voucher holder, death of a family member or a need to care for a family member with a prolonged illness.

Non-Medical

4. Rents Higher than FMRs;
5. Vacancy Rates Between 0-3%;
6. Hard to house families;
7. Legal proceedings challenging Rents Ordinance as it pertains to Owner participation in Program for In-Place tenancy;
8. Financial Burden.
9. Domestic Violence

If the voucher holder is requesting an extension due to the unavailability of housing, the holder must submit information that provides the dates, names, and telephone numbers of owners contacted and the reasons why units were not rented. The SFHA may contact owners to verify information provided by the voucher holder.

If appropriate documentation is submitted, the SFHA will grant one 60-day extension of the term of the voucher. The SFHA will revise the voucher for the applicant or participant, which shows the new expiration date. Under no circumstances will the total term of the voucher exceed 240 days.

If the family includes a person with disabilities and the family requires an extension due to the disability, the Housing Authority will grant an extension allowing the family the full 180 days search time. If the Housing Authority determines that additional search time would be a reasonable accommodation, the Housing Authority will request HUD to approve an additional extension.

6.4.1 *SUSPENSION (TOLLING) OF VOUCHERS*

The SFHA will suspend the term of the voucher upon the receipt of the Request for Tenancy Approval (RTA). The term will remain suspended while the unit is being processed by the SFHA. A unit can be withdrawn from consideration by the SFHA (by determining the unit or owner is ineligible or the rent requested by the owner is not approvable), by the owner or by the voucher holder. If a decision is made to withdraw the unit, the SFHA will provide the voucher holder with a written notice of this fact, the reason for the withdrawal and the number of days remaining on the term of the voucher (this tolling period can be overridden at the discretion of the supervisor or director if there is a situation where additional time is not warranted). The SFHA will provide the voucher holder with a new RTA and other appropriate forms. Under no circumstances will the total search time increase under the term of the voucher due to tolling.

6.5 *APPROVAL TO LEASE A UNIT*

The SFHA will approve a lease if all of the following conditions are met:

- A. The unit is eligible;
- B. The unit is inspected by the Housing Authority and passes HQS;
- C. The lease is approvable and includes the language of the tenancy addendum;
- D. The rent to owner is reasonable;
- E. The family's share of rent does not exceed 40% of their monthly adjusted income;
- F. The owner has not been found to be debarred, suspended, or subject to a limited denial of participation by HUD or the Housing Authority; and
- G. The family continues to meet all eligibility and screening criteria.

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

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

- A. The unit passes the Housing Authority HQS inspection;
- B. The family's share of rent does not exceed 40% of their monthly adjusted income;

- C. The landlord and tenant sign the lease to include the HUD required addendum; and
- D. The Housing Authority approves the leasing of the unit.

The Housing Authority will prepare the contract when the unit is approved for tenancy. Upon receipt of the signed contract, lease, the HUD required tenancy addendum, and all required documentation verifying ownership of the property, the Housing Authority will execute the contract. The Housing Authority will not pay any housing assistance to the owner until the contract is executed.

6.6 SFHA DISAPPROVAL OF OWNER

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

- A. The owner has violated any obligations under a Section 8 Housing Assistance Payments Contract;
- B. The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
- C. The owner has engaged in drug-related criminal activity or any violent criminal activity;
- D. The owner has a history or practice of non-compliance with HQS for units leased under Section 8 or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program;
- E. The owner refuses (or has a history of refusing) to evict families for drug-related or violent criminal activity, or for activity that threatens the health, safety or right of peaceful enjoyment of the:
 - 1. premises by tenants, SFHA employees or owner employees; or
 - 2. residences by neighbors;
- F. Other conflicts of interest under Federal, State, or local law.

6.7 INELIGIBLE/ELIGIBLE HOUSING

The following types of housing cannot be assisted under the Section 8 Tenant-Based Program:

- A. A public housing or Indian housing unit;
- B. A unit receiving project-based assistance under a Section 8 Program;
- C. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
- D. College or other school dormitories;
- E. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
- F. A unit occupied by its owner. This restriction does not apply to cooperatives or to assistance on behalf of a manufactured home owner leasing a manufactured home space; and
- G. A unit receiving any duplicative Federal, State, or local housing subsidy. This does not prohibit renting a unit that has a reduced rent because of a tax credit.

The SFHA will not approve a lease for any of the following special housing types:

- A. Congregate housing
- B. Group homes
- C. Shared housing
- D. Cooperative housing
- E. House Boats
- F. Single room occupancy housing (except under special programs and as a reasonable accommodation for a disabled person)

The SFHA will approve leases for the following housing types:

- A. Single family dwellings
- B. Apartments
- C. Manufactured housing
- D. Manufactured home space rentals

6.8 SECURITY DEPOSIT

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

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

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

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

7.0 MOVES WITH CONTINUED ASSISTANCE

Participating families are allowed to move to another unit after the initial 12 months has expired, by giving owner a 30 day notice in accordance with the lease agreement. The SFHA will issue the family a new voucher if the family does not owe the SFHA or any other Housing Authority money, has not violated a Family Obligation, and if the SFHA has sufficient funding for continued assistance.

7.1 WHEN A FAMILY MAY MOVE

For families already participating in the Voucher Program, the SFHA will allow the family to move to a new unit if:

- A. The owner has given the tenant a notice to vacate, has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the tenant; or
- B. The tenant has given notice of lease termination (in accordance with lease agreement).
- C. Families participating in the Voucher Program will not be allowed to move more than once in any 12-month period and under no circumstance will the SFHA allow a participant to improperly break a lease. Under extraordinary circumstances the SFHA may consider allowing more than one move in a 12-month period.

7.2 PROCEDURES REGARDING FAMILY MOVES

Families considering transferring to a new unit will be scheduled to attend a mover's briefing. All families who are moving, including any families moving into or out of the SFHA's jurisdiction, will be required to attend a mover's briefing prior to the SFHA executing a new HAP contract on their behalf.

This briefing is intended to provide the following:

- A. A refresher on program requirements and the family's responsibilities. Emphasis will be on giving proper notice and meeting all lease requirements such as leaving the unit in good condition;
- B. Information about finding suitable housing and the advantages of moving to an area that does not have a high concentration of poor families;
- C. Payment standards, exception payment standard rent areas, and the utility allowance schedule;

- D. An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income;
- E. Portability requirements and opportunities;
- F. The need to have a reexamination conducted within 120 days prior to the move;
- G. An explanation and copies of the forms required to initiate and complete the move; and
- H. All forms and brochures provided to applicants at the initial briefing.

Families are required to give proper written notice of their intent to terminate the lease. In accordance with HUD regulations, no notice requirement may exceed 60 days. During the initial term, families may not end the lease unless they and the owner mutually agree to end the lease. If the family moves from the unit before the initial term of the lease ends without the owner's and the SFHA's approval, it will be considered a serious lease violation and subject the family to termination from the program.

The family is required to give the SFHA a copy of the notice to terminate the lease at the same time as it gives the notice to the landlord. A family's failure to provide a copy of the lease termination notice to the SFHA will not be considered for a transfer.

A family who gives notice to terminate the lease must mail the notice to the landlord or his agent. The family will be required to provide a copy of the lease termination notice to the SFHA.

7.3 *Moves Due to Home Purchase*

When a family purchases a home, the final day of rental assistance will be the closing date of the loan purchase agreement. The family is required to give a thirty day notice of intent to vacate that will coincide with the loan closing date. If the family fails to give the owner a thirty day notice, the HAP will be paid to the owner for thirty (30) after the loan closing date. However, the tenant participation ends on the loan closing date. The tenant will be responsible for payment of their rent portion for the thirty day period as well as any rent due after the 30 day period. No other program benefits will apply.

8.0 PORTABILITY

8.1 GENERAL POLICIES OF THE SFHA

The family will not have any right to lease a unit outside of the SFHA jurisdiction for a 12-month period beginning when the family is first admitted to the program. During this period, the family may only lease a unit located in the jurisdiction of the SFHA.

Exceptions will be considered on a case by case basis for disabled households, family medical emergencies, death in the family, domestic violence, documented secured job or educational opportunities or as deemed appropriate by the Program Administrator or his designee.

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

If a family has moved out of their assisted unit in violation of the lease, the SFHA will not issue a voucher, and will terminate assistance in compliance with Section 16.0, Grounds for Termination of the Lease and Contract.

8.2 INCOME ELIGIBILITY

A. Admission

An applicant family must be income-eligible in the area where the family first leases a unit with assistance in the Voucher Program.

B. If a portable family is already a participant in the Initial Housing Authority's Voucher Program, income eligibility is not re-determined.

8.3 PORTABILITY: ADMINISTRATION BY RECEIVING HOUSING AUTHORITY

A. When a family utilizes portability to move to an area outside the SFHA jurisdiction, another Housing Authority (the Receiving Housing Authority) must administer assistance for the family if that Housing Authority has a tenant-based program covering the area where the unit is located.

B. A Housing Authority (the Receiving Housing Authority) with jurisdiction in the area where the family leases a unit must issue the family a voucher or administer the voucher on behalf of the SFHA and enter into a billing arrangement.

8.4 *PORTABILITY PROCEDURES*

- A. When the SFHA is the Initial Housing Authority:
1. The SFHA will brief the family on the process that must take place to exercise portability. The family will be required to attend an applicant or mover's briefing.
 2. Family must submit a "Request for Transfer" form.
 3. The SFHA will determine whether the family is income-eligible in the area where the family wants to lease a unit (if applicable).
 4. The SFHA will advise the family how to contact and request assistance from the Receiving Housing Authority.
 5. Upon approval by the receiving PHA, the SFHA may FAX or hand carry (by family) portability documents to the receiving PHA. [The SFHA will immediately mail to the Receiving Housing Authority the most recent HUD Form 50058 (Family Report) for the family, and any related verification information.]
- B. When the SFHA is the Receiving Housing Authority:
1. The SFHA will brief the family on the process that takes place to exercise portability. The SFHA conduct a new re-examination of income and review with the family all the documents from the Initial Housing Authority. The SFHA will determine the voucher bedroom size for the portable family in accordance with the SFHA's subsidy standard.
 2. The family must submit a Request for Tenancy Approval for an eligible unit within the term of the voucher issued by the Initial Housing Authority.
 3. The SFHA accepts the Initial Housing Authority voucher during lease-up process. Upon approval of the unit and family move-in, the SFHA will then issue a voucher to the family.
 4. In order to provide tenant-based assistance for portable families, the SFHA will perform all Housing Authority program functions according to the SFHA's policy and procedures. At any time, either the Initial Housing Authority or the SFHA may make a determination to deny or terminate assistance to the family in accordance with 24 CFR 982.552.
 5. The SFHA shall notify the Initial Housing Authority if the family has leased an eligible unit under the program, or if the family fails to submit a Request for Tenancy Approval within the term of voucher.

C. Absorption by the SFHA

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

D. Portability Billing

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

E. When a Portable Family Moves

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

- F. Families exercising Portability who owe the SFHA a balance from a previous tenancy must pay the balance in full prior to transferring.

9.0 DETERMINATION OF FAMILY INCOME

9.1 INCOME, EXCLUSIONS FROM INCOME, DEDUCTIONS FROM INCOME

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

9.2 INCOME

- A. Annual income means all amounts, monetary or not, that:
1. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or
 2. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
 3. Are not specifically excluded from annual income.
- B. Annual income includes, but is not limited to:
1. The gross amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
 2. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
 3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal

of cash or assets from an investment is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.

4. The gross amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount. (However, deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts are excluded.)
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay. (However, lump sum additions such as insurance payments from worker's compensation are excluded.)
6. Welfare assistance.
 - a. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income consists of:
 - i. The amount of the allowance or grant exclusive of the amount specifically designated for shelter and utilities; plus
 - ii. The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this requirement is the amount resulting from one application of the percentage.
 - b. Imputed Welfare Income:
If the amount of welfare is reduced due to an act of fraud by a family member or because of any family member's

failure to comply with requirements to participate in an economic self-sufficiency program or work activity, the amount of rent required to be paid by the family will not be decreased. In such cases, the amount of income attributable to the family will include what the family would have received had they complied with the welfare requirements and/or had not committed an act of fraud. If a family's grant is reduced due to fraud, the family is able to secure additional income which must be reported to the Housing Authority, but will not affect the tenant rent until the additional source and amount of income raises the tenant portion to a level above the Imputed Welfare Income.

- c. If the amount of welfare assistance is reduced as a result of a lifetime time limit, the reduced amount is the amount that shall be counted.
- 7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
- 8. All regular pay, special pay, and allowances of a member of the Armed Forces. (Special pay to a member exposed to hostile fire is excluded.)

9.3 EXCLUSIONS FROM INCOME

Annual income does not include the following:

- A. Income from employment of children (including foster children) under the age of 18 years;
- B. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- C. Lump-sum additions to family assets, such as inheritances, cash from sale of assets, one-time lottery winnings, insurance payments (including payments under health and accident insurance and worker's compensation), and settlement for personal or property losses;
- D. Amounts received by the family that is specifically to offset the cost of equipment and services to keep a developmentally disabled family member at home;
- E. Income of a live-in aide;

- F. Grants or other amounts received specially for auxiliary apparatus or service for a handicapped person; Medical expenses; set aside for use under a Plan To Attain Self-Sufficiency (PASS) and excluded for SSI eligibility; out of pocket expenses for participation in publicly assisted programs and only to allow participation in these programs-These expenses include special equipment, clothing, transportation, child care, etc.
- G. The principal portion of the payments received on mortgages or deeds of trust;
- H. The full amount of student financial assistance paid directly to the student or to the educational institution;
- I. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- J. Amounts received under training programs funded by HUD;
- K. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
- L. amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program
- M. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the Housing Authority or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiative coordination. No resident may receive more than one such stipend during the same period of time;
- N. Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program;

- O. Temporary, nonrecurring, or sporadic income (including gifts);
- P. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- Q. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- R. Adoption assistance payments in excess of \$480 per adopted child;
- S. Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
- T. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home
- U. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary
- V. Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
- W. Loans in the form of Financial Aid;
- X. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits;

These exclusions include:

1. The value of the allotment of food stamps;
2. Payments to volunteers under the Domestic Volunteer Services Act of 1973 (employment through VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions);

3. Payments received under the Alaska Native Claims Settlement Act
4. Income from submarginal land of the U.S. that is held in trust for certain Indian tribes
5. Payments, rebates or credits received under Federal Low-Income Home Energy Assistance Programs-Includes any winter differentials given to elderly;
6. Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, State job training programs, career intern programs);
7. Income from the disposition of funds of the Grand River Band of Ottawa Indians
8. The first \$2000 per capita received from judgment funds awarded by the Indian Claims Commission or the Court of Claims or from funds the Secretary of Interior holds in trust for an Indian tribe;
9. Amount of scholarships awarded under Title IV of the Higher Education Act of 1965, including awards under the Federal Work-Study Program or under the Bureau of Indian Affairs student assistance programs, or veterans benefits;
10. Payments received under Title V of the Older Americans Act (Green Thumb, Senior Aides, Older American Community Service Employment Program)
11. Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, MDL No. 381 (E.D.N.Y.)
12. Payments received under the Maine Indian Claims Act of 1980
13. The value of child care under the Child Care and Development Block Grant Act of 1990
14. Earned income tax credit refund payments

15. Payments for living expenses under the AmeriCorps Program

9.4 DEDUCTIONS FROM ANNUAL INCOME

The following deductions will be made from annual income:

- A. \$480 for each dependent
- B. \$400 for any elderly family or disabled family
- C. For any family that is not an elderly or disabled family but has a member (other than the head or spouse) who is a person with a disability, disability assistance expenses in excess of 3% of annual income. This allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the person with disabilities.
- D. For any elderly or disabled family:
 - 1. That has no disability assistance expenses, an allowance for medical expenses equal to the amount by which the medical expenses exceed 3% of annual income;
 - 2. That has disability expenses greater than or equal to 3% of annual income, an allowance for disability assistance expenses computed in accordance with paragraph C, plus an allowance for medical expenses that equal the family's medical expenses;
 - 3. That has disability assistance expenses that are less than 3% of annual income, an allowance for combined disability assistance expenses and medical expenses that is equal to the total of these expenses less 3% of annual income.
- E. Child care expenses;

The SFHA will annually survey childcare providers in the community, public agencies providing childcare support, and other agencies that maintain childcare information to determine the parameters for reasonable childcare expenses for various age groups up to the child's 13th birthday.

10.0 VERIFICATION

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

10.1 ACCEPTABLE METHODS OF VERIFICATION

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

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

When third party verification cannot be obtained, the SFHA will accept documentation received from the applicant/participant. Hand-carried documentation will be accepted if the SFHA has been unable to obtain third party verification in a four week period of time. Photocopies of the documents provided by the family will be maintained in the file.

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

10.2 TYPES OF VERIFICATION

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

Verification Requirements for Individual Items		
Item to Be Verified	3 rd party verification	Hand-carried verification
General Eligibility Items		
Social Security Number	Letter from Social Security, electronic reports	Social Security card
Citizenship	N/A	Signed certification, voter's registration card, birth certificate, etc.
Eligible immigration status	INS SAVE confirmation #	INS card
Disability	Letter from medical professional, SSI, etc	Proof of SSI or Social Security disability payments
Full time student status (if >18)	Letter from school	For high school students, any document evidencing enrollment
Need for a live-in aide	Letter from doctor or other professional knowledgeable of condition.	N/A
Child care costs	Letter from care provider	Bills and receipts
Disability assistance expenses	Letters from suppliers, care givers, etc.	Bills and records of payment
Medical expenses	Letters from providers, prescription record from pharmacy, medical professional's letter stating	Bills, receipts, records of payment, dates of trips, mileage log, receipts for fares and

Verification Requirements for Individual Items		
Item to Be Verified	3 rd party verification	Hand-carried verification
	assistance or a companion animal is needed	tolls
Value of and Income from Assets		
Savings, checking accounts	Letter from institution	Passbook, most current statements
CDs, bonds, etc	Letter from institution	Tax return, information brochure from institution, the CD, the bond
Stocks	Letter from broker or holding company	Stock or most current statement, price in newspaper or through Internet
Real property	Letter from tax office, assessment, etc.	Property tax statement (for current value), assessment, records or income and expenses, tax return
Personal property	Assessment, bluebook, etc	Receipt for purchase, other evidence of worth
Cash value of life insurance policies	Letter from insurance company	Current statement
Assets disposed of for less than fair market value	N/A	Original receipt and receipt at disposition, other evidence of worth
Income		
Earned income	Letter from employer	Multiple pay stubs
Self-employed	N/A	Tax return from prior year, books of accounts
Regular gifts and	Letter from source, letter from organization receiving	Bank deposits, other

Verification Requirements for Individual Items		
Item to Be Verified	3 rd party verification	Hand-carried verification
contributions	gift (i.e., if grandmother pays day care provider, the day care provider could so state)	similar evidence
Alimony/child support	Court order, letter from source, letter from Human Services	Record of deposits, divorce decree
Periodic payments (i.e., social security, welfare, pensions, workers' comp, unemployment)	Letter or electronic reports from the source	Award letter, letter announcing change in amount of future payments
Training program participation	Letter from program provider indicating <ul style="list-style-type: none"> - whether enrolled - whether training is HUD-funded - whether State or local program - whether it is employment training - whether payments are for out-of-pocket expenses incurred in order to participate in a program 	N/A

10.3 VERIFICATION OF CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS

All applicants and participants shall be required to verify their non-citizenship status pursuant to Section 3.C.

10.4 VERIFICATION OF SOCIAL SECURITY NUMBERS

Prior to admission, each family member who has a Social Security Number and who is at least six years of age must provide verification of his or her Social Security Number. New family members at least six years of age must provide this

verification prior to being added to the lease. Children in assisted households must provide this verification at the first regular reexamination after turning six.

The best verification of the Social Security Number is the original Social Security card. If the card is not available, the SFHA will accept letters from Social Security that establish and state the number. Documentation from other governmental agencies will also be accepted that establish and state the number. Driver's license, military ID, passports, or other official documents that establish and state the number are also acceptable.

If an individual states that they do not have a Social Security Number they will be required to sign a statement to this effect.

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

If a member of a tenant family indicates they have a Social Security Number, but cannot readily verify it, they shall be asked to certify to this fact and shall have up to 60 days to provide the verification. If the individual is at least 62 years of age, they will be given 120 days to provide the verification. If the individual fails to provide the verification within the time allowed, the family will be denied assistance or will have their assistance terminated.

10.5 TIMING OF VERIFICATION

Verification must be dated within 120 days of certification or reexamination effective date.

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

10.6 FREQUENCY OF OBTAINING VERIFICATION

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

For each family member age 6 and above, verification of Social Security Number will be obtained only once. This verification will be accomplished prior to admission. When a family member who did not have a Social Security Number at admission receives a Social Security Number, that number will be verified at the next regular reexamination. Likewise, when a child turns six, their verification will be obtained at the next regular reexamination.

10.7 GUIDANCE FOR EIV SYSTEM USAGE

In accordance with 24 CFR 5.236, 5.659, 960.259, 982.516, and related HUD guidebooks and notices, the Housing Authority will obtain Third Party Verification on all income, assets, and allowable deductions associated with the determination of eligibility and rental subsidy calculations for federally assisted housing. As available, and in accordance to established policies, procedures, and verification guides for the Public Housing, Multifamily, and Section 8 programs, the San Francisco Housing Authority (SFHA) will follow the verification hierarchy which call for the use of Upfront Income Verification (UIV) when available. The following policy and procedure relates to the establishing and administration of such systems.

I. “UP-FRONT” INCOME VERIFICATION (UIV) DEFINITION

- A. UIV is the verification of income, before or during a family reexamination, through independent sources that systematically and uniformly maintains income information in databases for a large number of individuals.
- B. When available, SFHA will use UIV to the maximum extent possible when conducting examinations of family income and composition or to investigate suspected fraud, misrepresentation or unreported income.
- C. Examples of UIV include, but are not limited to:
 - 1. HUD’s Enterprise Income Verification (EIV)
 - 2. The Work Number
 - 3. Data matching under the proposed terms of the Memorandum of Understanding (MOU) between the San Francisco Human Services Agency (HAS) and the San Francisco Housing Authority once approved and implemented.

II. ACCESS AND USE OF UIV DATA

A. Safeguarding UIV Data

SFHA has established and will maintain physical and procedural safeguards to prevent unauthorized use of the information and to protect the confidentiality of that information. Use of UIV data is covered the EIV User Manual.

B. User Access and Responsibilities

1. The Security Administrator

The Security Administrator is responsible for ensuring compliance with the policies and procedures outlined in this document, including:

- a. Maintaining and enforcing the security procedures;
- b. Keeping records and monitoring security issues; and
- c. Reporting any evidence of unauthorized access or known security breaches to the Executive Director or his/her designee and taking corrective action to address the impact of the breach including, but not limited to prompt notification to appropriate authorities, including the HUD field office.

2. The User Coordinator

The Housing Management and the Section 8 Departments will each appoint a User Coordinator and a Back-up User Coordinator. User Coordinators are responsible for:

- a. Communicating security information and requirements to appropriate personnel, including coordinating and conducting security awareness training sessions; and
- b. Conducting a quarterly review of all Authorized Users in his/her department to determine if the users still have a valid need to access the UIV data and taking the necessary steps to ensure that access rights are revoked or modified as appropriate.
- c. Assigning access, terminating, or modify rights for new, current, and past employees as needed.

3. Authorized Users

- a. An “Authorized User” is an individual who has been given access to UIV data through one or more secure electronic databases. Authorization to access one electronic UIV database will not necessarily give a staff member authorization to access any other electronic databases.
- b. Under no circumstances shall an Authorized User share any of his or her passwords with another employee or any other person. Unauthorized access to any UIV database without being assigned an individual user identification and/or password may be grounds for discipline, up to and including termination.

- c. an authorized user of uiv databases is also authorized to access printed uiv data in the course of their job duties whether for routine file processing or filing, quality control review, hearings, complaints, discrimination complaints, grievances, or fraud investigations, etc.

5. Requirements For Authorized Users

An Authorized User must, as applicable:

- a. Sign all security-related forms required for obtaining access to UIV databases.
- b. Attend security awareness training before given access to UIV databases. This training must be repeated at least annually.
- c. Keep all UIV database Passwords and User IDs confidential at all times.
- d. Close the program when not using a UIV database or if the user temporarily leaves his/her work area.
- e. Restrict UIV system inquiries to official Authority business purposes only, based upon employee job duties.
- f. Never disclose UIV information to third parties (including other household members) unless disclosure is authorized by written consent of the client, permitted or mandated by law, statute or regulation.
- g. Keep all printed UIV information confidential and in a secure area that has restricted access.
- h. File UIV data in the client's file and secure the file so no employees or clients (other than the individual) can view his/her own data, especially if the employee leaves his/her desk.
- i. Shred unused extra copies of UIV information immediately if the information is not needed and/or already placed in the client's file or utilizing other more current 3rd Party verification.

C. PHYSICAL SECURITY

The SFHA will use the following methods to physically secure UIV data:

1. UIV data printouts must be retrieved immediately as soon as they are generated. UIV data is not left unattended in printers where unauthorized persons may have access.
2. Keep files with UIV data in locked cabinets and/or restricted access areas
3. Cabinets and restricted areas containing UIV data should be labeled so as to warn of confidential information.

D. COMPUTER SECURITY

The SFHA will utilize the following methods to provide computer security for UIV data:

1. Only Authorized Users shall be provided unique User Identifications and/or passwords to access an electronic UIV database (dependent on data source). Sharing of passwords will subject staff to disciplinary actions.
2. Personnel are not allowed to save any UIV data on to a floppy disk, compact disk, or hard drive.
3. Authorized Users shall not leave UIV data displayed on their computer screens where unauthorized users may view it. Computer screens should be minimize or close out the screen on which the UIV data is displayed if someone who is not authorized to view the screen approaches the work area.
4. Adhere to additional measures outlined above in Section II B 5.

III. SECURITY AWARENESS TRAINING

- A. Prior to granting access to UIV information, employees will be trained in UIV security policies and procedures.
- B. Every employee, regardless of whether or not he/she has access to UIV data shall be briefed at least annually on the Housing Authority's UIV security policy and procedures and confidentiality requirements.

- C. A log will be maintained of all employees, including all Authorized Users and Authorized Reviewers that attend each training session.
- D. UIV training procedures will incorporate the necessary provisions of the Privacy Act of 1974, Section 552(a) and other relevant citations as required by the UIV data source providers, notifying employee of penalties for improper disclosure of client information.

IV. *USING UIV DATA*

- A. UIV data can only be used to identify income sources and to project participant income and eligibility.
- B. Appropriate UIV data will be accessed so that the information is available at the time of a household's income re-examination interview.
- C. In addition to the UIV procedures in the EIV User Manual, the procedures for Third Party Verification including resolving discrepancies shall be followed as provided in the Section 8 Administrative Plan and Income Verification Guidebooks.

V. *TAKING ADVERSE ACTION BASED ON THIRD PARTY CONFIRMATION OF INFORMATION FROM UIV*

- A. The Housing Authority shall not take any adverse action (termination, denial, suspension, eviction or reduction of assistance) based solely on information provided by a UIV source.
- B. If a discrepancy in income is identified between the UIV data and client provided documentation, Third Party Verification must be obtained before any adverse action against a client can proceed.
- C. If SFHA determines through Third Party Verification that a discrepancy is valid, the procedures to be followed remain the same as for any other adverse action that the Authority might take against a client in accordance with the Section 8 Administrative Plan.
- D. Any collection of overpayment of subsidy due to underreporting of income by tenants and participants shall be done in accordance to the Administrative Plan of the Existing Section 8 Program.

VI. ***CONFIDENTIALITY AND DISCLOSURE OF UP-FRONT INFORMATION***

- A. Information accessed through a UIV system is covered by the Privacy Act of 1974 (5 USC 552a, as amended) and the provisions of Title 18, USC, Section 1030, which specifies penalties for unauthorized access, altering, damaging or destroying data in the system.
- B. Only authorized persons may access private information contained in the HUD's EIV system or any other UIV system for the purpose of conducting official business.
- C. Violation of privacy and confidentiality provisions will result in disciplinary actions in accordance to the Housing Authority's Personnel Policy, in addition to any penalties dictated by applicable state and federal statutes.
- D. Unauthorized disclosure includes, but is not limited to:
 - 1. Failure to log out of an electronic system when leaving an area unattended.
 - 2. Failure to secure records in a locked cabinet or restricted access area.
 - 3. Allowing unauthorized persons to remain or move about in an area unescorted where records have not been secured.
 - 4. Allowing entrance to a secure area to a person who is not authorized to be in that area.
- E. UIV data may not be disclosed without prior written authorization from the client whose information is in question.

VII. ***REPORTING IMPROPER DISCLOSURES AND VIOLATIONS OF SECURITY***

- A. Improper disclosure occurs when an Authorized User allow UIV data to be used or reviewed by another individual who is not the subject of the UIV data or not authorized or required to use or review UIV data for official purposes.
- B. Upon discovery of a possible improper disclosure of UIV information or another security violation by an authorized user or other person, the individual observing or receiving the information should contact the Security Administrator or Executive Director or his/her designee immediately.

- C. The Security Administrator or Executive Director or his/her designee will document all improper disclosures in writing, providing details including who was involved, what was disclosed, how the disclosure occurred and where and when the disclosure occurred.
- D. The Security Administrator or Executive Director or his/her designee will contact the San Francisco HUD Field Office for further direction on addressing the improper disclosure.

VII. *DISPOSAL OF UIV INFORMATION*

- A. Disposal of data shall be in accordance to the Manual of Policy of Procedures Section 116:1, Records Retention and Disposition.
- B. Any UIV records used to determine rental calculation or to verify income will be included in the tenant file.
- C. Any UIV information printed but not used to verify income or use of UIV for fulfilling the Hierarchy of Verification shall be immediately shredded once it is determined that its use is not needed.

11.0 RENT AND HOUSING ASSISTANCE PAYMENT

11.1 GENERAL

After October 1, 1999, the SFHA will issue only vouchers to applicants, movers, and families entering the jurisdiction through portability. Certificates currently held will continue to be honored until the transition of the merger of the Section 8 Certificate and Voucher programs as outlined in 24 CFR 982.502 is complete (see Section 20.0 for additional guidance).

11.2 RENT REASONABLENESS

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

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

11.3 COMPARABILITY

In making a rent reasonableness determination, the Housing Authority will compare the rent for the unit to the rent of two (2) comparable units in the same or comparable neighborhoods. The Housing Authority will consider the location, quality, size, number of bedrooms, age, amenities, housing services, maintenance and utilities of the unit and the comparable units.

The Housing Authority will also obtain the services of a rental survey company to determine the value of the array of amenities.

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

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

11.4 MAXIMUM SUBSIDY

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

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

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

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

For manufactured home space rental, the maximum subsidy under any form of assistance is the Fair Market Rent for the space as outlined in 24 CFR 982.888.

11.4.1 Setting the Payment Standard

HUD requires that the payment standard be set by the Housing Authority at between 90 and 110% of the FMR. The SFHA will review its determination of the payment standard annually after publication of the FMRs. The SFHA will consider vacancy rates and rents in the market area, size and quality of units leased under the program, rents for units leased under the program, success rates of voucher holders in finding units, and the percentage of annual income families are paying for rent under the Voucher Program. If it is determined that success rates will suffer or that families are having to rent low quality units or pay over 40% of income for rent, the payment standard may be raised to the level judged necessary to alleviate these hardships.

Payment standards will not be raised solely to allow the renting of luxury quality units.

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

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

11.4.2 Selecting the Correct Payment Standard for a Family

- A. For the voucher tenancy, the payment standard for a family is the lower of:
 - 1. The payment standard for the family unit size; or
 - 2. The payment standard for the unit size rented by the family.
- B. If the unit rented by a family is located in a HUD approved exception rent area, the Housing Authority will use the appropriate payment standard for the exception rent area.
- C. During the HAP contract term for a unit, the amount of the payment standard for a family is the higher of:
 - 1. The initial payment standard (at the beginning of the lease term) minus any amount by which the initial rent to owner exceeds the current rent to owner; or
 - 2. The payment standard as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.
- D. At the next annual reexamination following a change in family size or composition during the HAP contract term and for any reexamination thereafter, paragraph C above does not apply.
- E. If there is a change in family unit size resulting from a change in family size or composition, the new family unit size will be considered when determining the payment standard at the next annual reexamination.

11.4.3 Area Exception Rents

In order to help families find housing outside areas of high poverty or when voucher holders are having trouble finding housing for lease under the program, the Housing Authority may request that HUD approve an exception payment standard rent for certain areas within its jurisdiction. The areas may be of any size, though generally not smaller than a census tract. The Housing Authority may request one such exception payment standard area or many. Exception payment standard rent authority may be requested for all or some unit sizes, or for all or some unit types.

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

11.5 ASSISTANCE AND RENT FORMULAS

A. Minimum Family Contribution

The Minimum Family Contribution is equal to the highest of:

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

Plus any rent above the payment standard.

B. Minimum Rent.

The SFHA has set the minimum rent as \$ 25. However, if the family requests a hardship exemption, the SFHA will suspend the minimum rent for the family beginning the month following the family's hardship request. The suspension will continue until the Housing Authority can determine whether hardship exists and whether the hardship is of a temporary or long-term nature. During suspension, the family will not be required to pay a minimum rent and the Housing Assistance Payment will be increased accordingly.

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

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

C. Section 8 Housing Choice Vouchers

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

D. Section 8 Preservation Vouchers

1. Payment Standard

- a. The initial Payment Standard for Preservation units is:
 - i. The new rent being charged by the owner for the participating family subject to rent reasonableness.

2. Minimum Family Contribution

- a. The Minimum Family Contribution is the greater of:
 - ii. The gross rent (including utility allowance) of the family at the time of the Preservation action; or
 - iii. Thirty percent (30 %) of the family's adjusted household income.

- b. Preservation Voucher size shall be based on the SFHA's subsidy standards indicated in Section 6 of this Administrative Plan. Overhoused families must make an effort to move into an appropriately sized unit in the project. If more families must relocate than there are available units for, the SFHA shall determine the order of priority in which families must move. If a unit does not exist, the family shall remain in the larger unit and the payment standard is the gross rent for the oversized unit.

The family may only receive the subsidy for the oversized unit for one year from the Preservation event. After the one year period, the normally applicable payment standard shall be used and the family can remain in the unit if they can afford to pay the difference out of pocket.

- c. At the next regular reexamination following a change in family composition that causes a change in family unit size during the HAP contract term, and for any examination thereafter during the term:
 - i. The new family unit size must be used to determine the payment standard.

3. The SFHA will pay a monthly housing assistance payment on behalf of the family that equals the gross rent for the unit minus the great of:

- a. 30 percent of the adjusted family income;

- b. 10 percent of the family gross monthly income
 - c. The welfare rent in as-paid states;
 - d. The enhanced Voucher Minimum Family Contribution; or
 - e. Such other minimum rent established by the SFHA as authorized by Federal law in 24 CFR Section 5
- E. **Manufactured Home Space Rental: Section 8 Vouchers**
- 1. The payment standard for a participant renting a manufactured home space is the published FMR for rental of a manufactured home space.
 - 2. The space rent is the sum of the following as determined by the Housing Authority:
 - a. Rent to the owner for the manufactured home space;
 - b. Owner maintenance and management charges for the space; and
 - c. Utility allowance for tenant paid utilities.
 - 3. The participant pays the rent to owner less the HAP.
 - 4. HAP equals the lesser of:
 - a. The payment standard minus the Minimum Family Contribution; or
 - b. The rent paid for rental of the real property on which the manufactured home owned by the family is located.

11.6 UTILITY ALLOWANCE

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

The utility allowance schedule is determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of

similar size and type in the same locality. In developing the schedule, the Housing Authority uses normal patterns of consumption for the community as a whole and current utility rates.

The Housing Authority reviews the utility allowance schedule annually and revises any allowance for a utility category if there has been a change of 10% or more in the utility rate since the last time the utility allowance schedule was revised. The Housing Authority maintains information supporting the annual review of utility allowances and any revisions made in its utility allowance schedule. Participants may review this information at any time by making an appointment with the Section 8 Department.

The Housing Authority uses the appropriate utility allowance for the size of dwelling unit actually leased by the family (rather than the family unit size as determined under the Housing Authority subsidy standards). There is a utility allowance for Apartments and for Flats/Single Family Dwellings. A Flat shall be defined as a residence that occupies the entire floor of a multi-floor building where each floor is a separate residence, regardless of square footage.

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

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

The utility allowance will be subtracted from the family's share to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to the owner. The amount of the utility allowance is then still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belong to the tenant.

11.6.1 ENERGY EFFICIENT UTILITY ALLOWANCE

For newly constructed properties, the SFHA, at the owner's request, may utilize an Energy Efficient Utility Allowance (EEUA) Schedule. In order for the EEUA to be used, the owner must first comply with performance requirements outlined below. Upon verification of compliance, the EEUA may be implemented prospectively.

To qualify, a project must:

- Be located within the jurisdiction of the San Francisco Housing Authority
- Be a new project that exceeds California's Energy Code, Title 24, by a minimum of 15%, OR,

- Be a new construction project with installed on-site generation on the dwelling units following the guidelines in the documents outlined below.
- Provide California Energy Commission (CEC)¹-certified compliance documentation confirming energy savings, CEC-certified HERS (See Appendix A)ⁱ rating verifying installation of energy efficiency measures, and following the procedures and providing documentation for on-site generation as outlined below. Detailed steps are outlined below for new construction projects.

Procedure for Owner-Developers

For any project, an owner-developer must contact Housing Authority Representative for assistance and complete a Request for Energy Efficiency-Based or On-Site Generation Utility Allowance.

New Construction Project

Step 1: Design and build energy efficient project and provide California Energy Commission (CEC)²-certified compliance documentation confirming energy savings. The results of this compliance documentation (through a building simulation process done by either a HERS rater or a Title 24 consultant) are presented in the “C2R Form”.

Step 2: Hire a HERS¹ (Home Energy Rating System) rater to inspect the building. Ask the HERS rater to provide an inspection report, which includes a HERS rating score. If the HERS rating indicates that the building’s energy efficiency rating has surpassed 2001 Title 24 energy code standards by at least 15%, submit the HERS inspection report stating that you have met the requirement to the Housing Authority.

New Construction Project Documentation

1. Request for Energy Efficiency-Based or On-Site Utility Allowance
2. Final C2R or Perf-1 Form
3. Final HERS Inspection Report

On-Site Generation Project:

Step 1: Maximize energy efficiency options in the design of the project

Step 2: Use the standard contract format with on-site generation provider/installer (provided to owner-developer),

Step 3: Submit a completed installation checklist

Step 4: Submit evidence of proper building department permits, inspections and sign-off

Step 5: Submit an affidavit from a California licensed engineer stating what the average and minimum annual and peak output of the system will be.

On-Site Generation Project Documentation

1. Request for Energy Efficiency-Based or On-Site Utility Allowance
2. Completed installation checklist
3. Submit evidence of proper building department permits, inspections and sign-off
Submit an affidavit from a California licensed engineer stating the average and minimum annual and peak output of the system.

Documentation identifying that you have met the requirement shall be submitted to:

EEBUA Request/San Francisco Housing Authority

Designed for Comfort: EFFICIENT AFFORDABLE HOUSING

11626 Fair Oaks Blvd, Ste. 302

Fair Oaks, CA 95628

Phone: 916-962-7001

Fax: 916-962-0101

Once the documentation is reviewed, owner will receive notification indicating whether or not they are approved to apply the Energy Efficiency-Based or On-Site Generation Utility Allowance.

All qualifying projects are subject to visual inspections by Housing Authority staff or designated party

11.7 DISTRIBUTION OF HOUSING ASSISTANCE PAYMENT

The Housing Authority pays the owner the lesser of the housing assistance payment or the rent to owner. If payments are not made when due, the owner may charge the SFHA a late payment, agreed to in the Contract and in accordance with generally accepted practices in the City and County of San Francisco jurisdiction.

All new HAP Contracts will require payment by ACH. Payments to owners are considered late if *Mailed, not received*, after the accepted prevailing local practice for late payments which is on the 6th day of the month by current local standards. *Mailed* payments can be defined as either by standard mail or electronic ACH format. ACH payments are considered late if not processed by SFHA by the 5th of the month. Banking posting date could be up to three days later.

Late payment fees do not apply to the initial HAP payment since the reasons for the delay in payment may not be in the control of the SFHA.

11.8 CHANGE OF OWNERSHIP

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

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

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

New owners will be required to execute the assumption of HAP contract form, IRS form W-9, Direct-Deposit Information, Lead based paint certification, and verification of non-related tenancy form. The SFHA may withhold the rent payment until the taxpayer identification number is received.

12.0 INSPECTION POLICIES, HOUSING QUALITY STANDARDS, AND DAMAGE CLAIMS

The SFHA will inspect all units to ensure that they meet Housing Quality Standards (HQS). No unit will be initially placed on the Section 8 Existing Program unless the HQS are met. Units will be inspected at least annually, and at other times as needed, to determine if the units meet HQS.

The SFHA must be allowed to inspect the dwelling unit at reasonable times with reasonable notice. The family and owner will be notified of the inspection appointment by first class mail. If the family can not be at home for the scheduled inspection appointment, the family must call and reschedule the inspection or make arrangements to enable the Housing Authority to enter the unit and complete the inspection.

If the family misses the scheduled inspection and fails to reschedule the inspection, the SFHA will only schedule one more inspection. If the family misses two inspections, the SFHA will consider the family to have violated a Family Obligation and their assistance will be terminated.

12.1 TYPES OF INSPECTIONS

There are seven types of inspections the SFHA will perform:

- A. Initial Inspection - An inspection that must take place to insure that the unit passes HQS before assistance can begin.
- B. Annual Inspection - An inspection to determine that the unit continues to meet HQS.
- C. Complaint Inspection - An inspection caused by the Authority receiving a complaint on the unit by anyone.
- D. Special Inspection - An inspection caused by a third party, i.e. HUD, needing to view the unit.
- E. Emergency - An inspection that takes place in the event of a perceived emergency. These will take precedence over all other inspections.
- F. Move Out Inspection (if applicable) - An inspection required for units in service before October 2, 1995, and optional after that date. These inspections document the condition of the unit at the time of the move-out.
- G. Quality Control Inspection – Supervisory or other designated quality control inspections on at least 5% of the total number of units that were under lease during the Housing Authority's previous fiscal year. Every effort will be made to

complete Quality Control inspections within 45 days of the initial/annual inspection. If not, total 5 % Quality Control inspections shall be completed by end of fiscal year.

12.2 OWNER AND FAMILY RESPONSIBILITY

A. Owner Responsibility for HQS

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

B. Family Responsibility for HQS

1. The family is responsible for a breach of the HQS that is caused by any of the following:
 - a. The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;
 - b. The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or
 - c. Any member of the household or a guest damages the dwelling unit or premises (damage beyond ordinary wear and tear).
2. If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused

defects, the family must correct the defect within no more than 30 calendar days (or any SFHA approved extension).

3. If the family has caused a breach of the HQS, the SFHA will take prompt and vigorous action to enforce the family obligations. SFHA may terminate assistance for the family in accordance with 24 CFR 982.552.

12.3 HOUSING QUALITY STANDARDS (HQS) 24 CFR 982.401

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

A. Sanitary Facilities

1. Performance Requirements

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

2. Acceptability Criteria

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

B. Food Preparation and Refuse Disposal

1. Performance Requirements

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

2. Acceptability Criteria

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

C. Space and security

1. Performance Requirement

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

2. Acceptability Criteria

- a. At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.
- b. The dwelling unit must have at least one bedroom or living/sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.
- c. Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut

are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.

- d. The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

D. Thermal Environment

1. Performance Requirement

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

2. Acceptability Criteria

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

E. Illumination and Electricity

1. Performance Requirement

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

2. Acceptability Criteria

- a. There must be at least one window in the living room and in each sleeping room.
- b. The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.

- c. The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

F. Structure and Materials

1. Performance Requirement

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

2. Acceptability Criteria

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

G. Interior Air Quality

1. Performance Requirement

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

2. Acceptability Criteria

- a. The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.
- b. There must be adequate air circulation in the dwelling unit.

- c. Bathroom areas must have one window that can be opened or other adequate exhaust ventilation.
- d. Any room used for sleeping must have at least one window. If the window is designed to be opened, the window must work.

H. Water Supply

1. Performance Requirements

The water supply must be free from contamination.

2. Acceptability Criteria

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

I. Lead-based Paint

1. Definitions

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

milligram per centimeter squared (mg/cm²), or 0.5 % by weight or 5000 parts per million (PPM).

2. Performance Requirements

- a. The purpose of this paragraph of this Section is to implement Section 302 of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4822, by establishing procedures to eliminate as far as practicable the hazards of lead-based paint poisoning for units assisted under this part. This paragraph is issued under 24 CFR 35.24(b)(4) and supersedes, for all housing to which it applies, the requirements of subpart C of 24 CFR part 35.
- b. The requirements of this paragraph of this Section do not apply to 0-bedroom units, units that are certified by a qualified inspector to be free of lead-based paint, or units designated exclusively for the elderly. The requirements of subpart A of 24 CFR part 35 apply to all units constructed prior to 1978 covered by a HAP contract under part 982.
- c. If a dwelling unit constructed before 1978 is occupied by a family that includes a child under the age of six years, the initial and each periodic inspection (as required under this part), must include a visual inspection for defective paint surfaces. If defective paint surfaces are found, such surfaces must be treated in accordance with paragraph k of this Section.
- d. The Housing Authority may exempt from such treatment defective paint surfaces that are found in a report by a qualified lead-based paint inspector not to be lead-based paint, as defined in paragraph 1(f) of this Section. For purposes of this Section, a qualified lead-based paint inspector is a State or local health or housing agency, a lead-based paint inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD.
- e. Treatment of defective paint surfaces required under this Section must be completed within 30 calendar days of Housing Authority notification to the owner. When weather conditions prevent treatment of the defective paint conditions on exterior surfaces within the 30-day period, treatment as required by paragraph k of this Section may be delayed for a reasonable time.
- f. The requirements in this paragraph apply to:
 - i. All painted interior surfaces within the unit (including ceilings but excluding furniture);

- ii. The entrance and hallway providing access to a unit in a multi-unit building; and
 - iii. Exterior surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).
- g. In addition to the requirements of paragraph c of this Section, for a dwelling unit constructed before 1978 that is occupied by a family with a child under the age of six years with an identified EBL condition, the initial and each periodic inspection (as required under this part) must include a test for lead-based paint on chewable surfaces. Testing is not required if previous testing of chewable surfaces is negative for lead-based paint or if the chewable surfaces have already been treated.
- h. Testing must be conducted by a State or local health or housing agency, an inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD. Lead content must be tested by using an X-ray fluorescence analyzer (XRF) or by laboratory analysis of paint samples. Where lead-based paint on chewable surfaces is identified, treatment of the paint surface in accordance with paragraph k of this Section is required, and treatment shall be completed within the time limits in paragraph c of this Section.
- i. The requirements in paragraph g of this Section apply to all protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age:
 - i. Within the unit;
 - ii. The entrance and hallway providing access to a unit in a multi-unit building; and
 - iii. Exterior surfaces (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).
- j. In lieu of the procedures set forth in paragraph g of this Section, the housing authority may, at its discretion, waive the testing requirement and require the owner to treat all interior and exterior

chewable surfaces in accordance with the methods set out in paragraph k of this Section.

- k. Treatment of defective paint surfaces and chewable surfaces must consist of covering or removal of the paint in accordance with the following requirements:
 - i. A defective paint surface shall be treated if the total area of defective paint on a component is:
 - (1) More than 10 square feet on an exterior wall;
 - (2) More than 2 square feet on an interior or exterior component with a large surface area, excluding exterior walls and including, but not limited to, ceilings, floors, doors, and interior walls;
 - (3) More than 10% of the total surface area on an interior or exterior component with a small surface area, including, but not limited to, windowsills, baseboards and trim.
 - ii. Acceptable methods of treatment are the following: removal by wet scraping, wet sanding, chemical stripping on or off site, replacing painted components, scraping with infra-red or coil type heat gun with temperatures below 1100 degrees, HEPA vacuum sanding, HEPA vacuum needle gun, contained hydroblasting or high pressure wash with HEPA vacuum, and abrasive sandblasting with HEPA vacuum. Surfaces must be covered with durable materials with joint edges sealed and caulked as needed to prevent the escape of lead contaminated dust.
 - iii. Prohibited methods of removal are the following: open flame burning or torching, machine sanding or grinding without a HEPA exhaust, uncontained hydroblasting or high pressure wash, and dry scraping except around electrical outlets or except when treating defective paint spots no more than two square feet in any one interior room or space (hallway, pantry, etc.) or totaling no more than twenty square feet on exterior surfaces.
 - iv. During exterior treatment soil and playground equipment must be protected from contamination.

- v. All treatment procedures must be concluded with a thorough cleaning of all surfaces in the room or area of treatment to remove fine dust particles. Cleanup must be accomplished by wet washing surfaces with a lead solubilizing detergent such as trisodium phosphate or an equivalent solution.
 - vi. Waste and debris must be disposed of in accordance with all applicable Federal, State, and local laws.
- l. The owner must take appropriate action to protect residents and their belongings from hazards associated with treatment procedures. Residents must not enter spaces undergoing treatment until cleanup is completed. Personal belongings that are in work areas must be relocated or otherwise protected from contamination.
 - m. Prior to execution of the HAP contract, the owner must inform the Housing Authority and the family of any knowledge of the presence of lead-based paint on the surfaces of the residential unit.
 - n. The Housing Authority must attempt to obtain annually from local health agencies the names and addresses of children with identified EBLs and must annually match this information with the names and addresses of participants under this part. If a match occurs, the Housing Authority must determine whether local health officials have tested the unit for lead-based paint. If the unit has lead-based paint, the Housing Authority must require the owner to treat the lead-based paint. If the owner does not complete the corrective actions required by this Section, the family must be issued a voucher to move.
 - o. The Housing Authority must keep a copy of each inspection report for at least three years. If a dwelling unit requires testing, or if the dwelling unit requires treatment of chewable surfaces based on the testing, the Housing Authority must keep the test results indefinitely and, if applicable, the owner certification and treatment. The records must indicate which chewable surfaces in the dwelling units have been tested and which chewable surfaces were tested or tested and treated in accordance with the standards prescribed in this Section, such chewable surfaces do not have to be tested or treated at any subsequent time.

J. Access

1. Performance Requirements

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

K. Site and Neighborhood

1. Performance Requirements

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

2. Acceptability Criteria

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

L. Sanitary Condition

1. Performance Requirements

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

2. Acceptability Criteria

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

M. Smoke Detectors

1. Performance Requirements

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

detectors must have an alarm system, designed for hearing-impaired persons as specified in NFPA 74 (or successor standards).

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

12.4 TIME FRAMES AND CORRECTIONS OF HQS FAIL ITEMS

A. Correcting Initial HQS Fail Items

The SFHA will schedule a timely inspection of the unit on the date the owner indicates that the unit will be ready for inspection, or as soon as possible thereafter (within 5 working days) upon receipt of a Request for Tenancy Approval. The owner and participant will be notified in writing of the results of the inspection. If the unit fails HQS again, the owner and the participant will be advised to notify the SFHA to reschedule a re-inspection when the repairs have been properly completed.

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

B. HQS Fail Items for Units under Contract

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

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

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

C. Time Frames for Corrections

1. Emergency repair items must be abated within 24 hours.
2. Repair of refrigerators, range and oven, or a major plumbing fixture supplied by the owner must be abated within 72 hours.
3. Non-emergency items must be completed within 30 days of the initial inspection.
4. For major repairs, the owner will have up to 30 days or as approved by the SFHA to complete.

D. Extensions

At the sole discretion of the SFHA, extensions of up to 30 days may be granted to permit an owner to complete repairs if the owner has made a good faith effort to initiate repairs. If repairs are not completed within 30 days, or the designated additional time periods approved by SFHA after the initial inspection date, SFHA will abate the rent. If the noted repairs are not corrected within the 6-month abatement effective date, the SFHA shall cancel the HAP contract for owner noncompliance. Appropriate extensions will be granted by SFHA upon good cause shown.

E. Phone Re-Inspections

In some instances of HQS infractions, the SFHA may opt to verify correction of the HQS violation by telephone or requiring the owner to submit verifying documentation. The applicable infractions of HQS include installing a battery in a smoke detector, repairing a bathroom fan, replacing a cracked light switch plate, elevator repair (certificate of compliance), installation of appliances (copy of receipt), extermination services (copy of receipt).

12.5 EMERGENCY FAIL ITEMS

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

- A. No hot or cold water

- B. No electricity
- C. Inability to maintain adequate heat
- D. Major plumbing leak
- E. Natural gas leak
- F. Broken lock(s) on all entry and assessable windows
- G. Broken windows that unduly allow weather elements into the unit
- H. Electrical outlet smoking or sparking
- I. Exposed electrical wires which could result in shock or fire
- J. Unusable toilet when only one toilet is present in the unit
- K. Security risks such as broken doors or windows that would allow intrusion
- L. Other conditions which pose an immediate threat to health or safety

12.6 ABATEMENT

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

When the deficiencies are corrected, the SFHA will end the abatement the day the unit passes inspection. Rent will resume the following day and be paid the first day of the next month.

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

13.0 RECERTIFICATION

13.1 ANNUAL REEXAMINATION

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

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

During the interview, the family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's share of rent. The family will sign the HUD consent form and other consent forms that later will be mailed to the sources that will verify the family circumstances. All income and assets shall be verified using third party income verification. This is defined as verification that has not been touched by the tenant/applicant. In the interest of time, once 3rd party income verification has been sent out, rent calculations will be completed once all 2nd party verification from the providing source has been secured. Once the 3rd Party Verification documentation is received in the office, staff will compare the 2nd and 3rd party verifications to see if there is the need to adjust the rent calculation. If the 3rd party verification is not returned, staff will document that an attempt was made to retrieve 3rd party documentation, by placing a copy of the 3rd party request for verification in the file and accept the 2nd party verification as adequate proof of income/asset verification.

Upon receipt of verification, the SFHA will determine the family's annual income and will calculate their family share.

13.1.1 Effective Date of Rent Changes for Annual Reexaminations

The new family share will generally be effective upon the anniversary date with 30 days notice of any rent increase to the family. In the event of a reduction in the Payment Standard of 5 % or more, notice of a rent adjustment to the family will be extended beyond the stated notice above by sixty days.

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

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

13.1.2 Re-examination by mail

Where possible, the SFHA will complete the Annual Certification by mail when the family is disabled and the income is known to be only from one source.

All first time re-examinations must be completed at the SFHA's Section 8 office unless requested as a reasonable accommodation by a disabled individual.

All seniors or disabled persons may request their re-examinations completed by mail after the first year.

Mailing procedures

1. A detail explanation of the mailing procedures will be included in the mail out package
2. All appropriate forms will be sent for the family's signature
3. A self addressed stamped envelop will be enclosed in the packet for returning all forms
4. The families have 15 days to return the form

After receiving all documentation the SFHA will determine the family's annual income and will calculate their family share.

13.1.3 Effective dates of interim re-examinations of rent

Income changes must be reported within 30-days. Changes that decrease the amount of rent payment made by the participant will be made effective the first of the month following the receipt of the notice to SFHA. However, this provision will not apply and no retroactive changes will be made if the notice of the change is not reported timely.

Changes that increase the amount of payment made by the tenant will be effective at the time of the annual re-examination.

If the annual re-examination is less than 30 days away the change will take effect on the first day of the second month following the date in which the change occurs.

If a family had requested a rent adjustment due to a loss of income (i.e. losing a job, going on unemployment or disability) where the rent was adjusted downward the first of the month following the receipt of written notice, and if this same family begins working again or the income is increased due to other sources (i.e. social security), the rent may be increased following a minimum 30-day written notice to the family.

For elderly/disabled families moving from TANF or unemployment, as defined in 24 CFR 5.617, to work, and whose income increases due to employment or increased earnings within six months of receiving TANF, the household will be eligible for the Earned Income Disregard benefit.

An interim re-examination will not be required if the participant requests to move to a new unit within 60 days of the last annual re-examination provided that the income verification is not more than 120 days old from the new lease effective date.

Errors made by the SFHA will not adversely affect the participant. Errors that resulted in overpayment of rent by the participant will be reimbursed to the participant. Errors by the SFHA that resulted in underpayment of rent by the tenant will not result in a retroactive payment from the tenant. The change in rent will be made effective the first of the second month following notice to the participant and owner.

As stated in the Quality Housing and Work Responsibility Act (QHWR) of 1998. Income changes resulting from welfare program requirements. 1) If a family's welfare benefits are lowered due to the family's failure to comply with program requirements the HA must not reduce the family's rent. 2) HA's are not to consider a loss of benefits due to the expiration of lifetime time limits as a failure to comply and the HA must lower the tenant's rent. 3) If the family's benefits are reduced because of fraud the HA must not lower the rent.

Families with zero income will be required to report any change in income within thirty days. Failure to do so may result in termination of assistance.

13.1.4 Missed Appointments

If the family fails to respond to the letter and fails to attend the interview, a second letter will be mailed. The second letter will advise of a new time and date for the interview, allowing for the same considerations for rescheduling and accommodation as above. The letter will also advise that failure by the family to attend the second scheduled interview will result in the SFHA taking action to terminate the family's assistance.

13.2 INTERIM REEXAMINATIONS

During an interim reexamination only the information affected by the changes being reported will be reviewed and verified.

Families will be required to report any increase in income or decreases in allowable expenses between annual reexaminations. However adjustments in tenant portion may not be made until the annual reexamination in accordance with paragraph Sub Section 13.1.3 above.

Families are required to report the following changes to the SFHA between regular reexaminations. These changes will trigger an interim reexamination.

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

In circumstances of a family break-up, the SFHA will make a determination of which family member will retain the voucher, taking into consideration the following factors:

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

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

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

The SFHA will issue a determination within 10 business days of the request for a determination. The family member requesting the determination may request an informal hearing in compliance with the informal hearings in Section 15.3.

In order to add a household member other than through birth or adoption (including a live-in aide) the family must request that the new member be added to the lease. Adding the new member to the lease requires the landlord's approval. The individual must complete an application form stating their income, assets, and all other information required of an applicant. The individual must provide their Social Security Number if they have one, and must verify their citizenship/eligible immigrant status (Their housing will not be delayed due to delays in verifying eligible immigrant status other than delays caused by the family). The new family member will go through the screening process similar to the process for applicants. The SFHA will determine the eligibility of the individual before allowing them to be added to the lease. If the individual is found to be

ineligible or does not pass the screening criteria, they will be advised in writing and given the opportunity for an informal review. If they are found to be eligible and do pass the screening criteria, the SFHA will grant approval to add their name to the lease. At the same time, the family's annual income will be recalculated taking into account the income and circumstances of the new family member. The effective date of the new rent will be in accordance with paragraph below 13.2.2.

Families are not required to, but may at any time, request an interim reexamination based on a decrease in income, an increase in allowable expenses, or other changes in family circumstances. Upon such request, the SFHA will take timely action to process the interim reexamination and recalculate the family share.

13.2.1 Special Reexaminations

If a family's income is too unstable to project for 12 months, including families that temporarily have no income or have a temporary decrease in income, the SFHA may schedule special reexaminations every 90 days until the income stabilizes and an annual income can be determined.

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

Unless there is a delay in reexamination processing caused by the family, any rent increase will be effective the first of the second month after the month in which the family receives notice of the new rent amount. If the family causes a delay, then the rent increase will be effective on the date it would have been effective had the process not been delayed (even if this means a retroactive increase).

If the new rent is a reduction and any delay is beyond the control of the family, the reduction will be effective the first of the month after the interim reexamination should have been completed.

If the new rent is a reduction and the family caused the delay or did not report the change in a timely manner, the change will be effective the first of the month after the rent amount is determined.

14.0 TERMINATION OF ASSISTANCE TO THE FAMILY BY THE SFHA

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

- A. If the family violates any family obligations under the program.
- B. If a family member fails to sign and submit consent forms.
- C. If a family fails to establish citizenship or eligible immigrant status and is not eligible for or does not elect continuation of assistance, pro-ration of assistance, or temporary deferral of assistance. If the SFHA determines that a family member has knowingly permitted an ineligible noncitizen (other than any ineligible noncitizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Section 8 for a period of 24 months from the date of termination.
- D. If any member of the family has ever been evicted from public housing.
- E. If the Housing Authority has ever terminated assistance under the Certificate or Voucher Program for any member of the family.
- F. If any member of the family commits drug-related criminal activity, or violent criminal activity.
- G. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.
- H. If the family currently owes rent or other amounts to the Housing Authority or to another Housing Authority in connection with Section 8 or public housing assistance under the 1937 Act.
- I. If the family has not reimbursed any Housing Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- J. If the family breaches an agreement with the Housing Authority to pay amounts owed to a Housing Authority, or amounts paid to an owner by a Housing Authority. (The Housing Authority, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a Housing Authority or amounts paid to an owner by a Housing Authority. The Housing Authority may prescribe the terms of the agreement.)

- K. If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation.
- L. If the family has engaged in or threatened abusive or violent behavior toward Housing Authority personnel.
- M. If any household member is subject to a lifetime registration requirement under a State sex offender registration program.
- N. Have a family member who is illegally using a controlled substance or abuses alcohol, or engages in any other criminal activity which may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The SFHA may waive this requirement if:
 1. The person demonstrates to the SFHA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
 2. The person has successfully completed a supervised drug or alcohol rehabilitation program;
 3. The household member who engaged in drug-related criminal activity or alcohol abuse and behavior that interfered with the health and safety or right to peaceful enjoyment of the premises by other residents is removed from the family household composition;
 4. The person has otherwise been rehabilitated successfully as determined by the SFHA based on evidentiary supporting material; or
 5. The person is participating in a supervised drug or alcohol rehabilitation program.
- O. Anyone enrolled in an institution of higher education and is under 24 years of age; is not a veteran; is unmarried; does not have dependent children; is not otherwise individually eligible or has parents who, individually or jointly, are not eligible on the basis of income to receive assistance under the section 8 program.
- P. The SFHA may terminate the assistance to remove a lawful occupant or tenant who engages in criminal acts or threatened acts of violence or stalking to family members or others without terminating the assistance or evicting victimized lawful occupants.

15.0 COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, AND INFORMAL HEARINGS FOR PARTICIPANTS

15.1 COMPLAINTS

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

15.2 INFORMAL REVIEW FOR THE APPLICANT

A. Informal Review for the Applicant

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

B. When an Informal Review is not Required

The SFHA will not provide the applicant an opportunity for an informal review for any of the following reasons:

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

C. Informal Review Process

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

1. The review will be conducted by any person or persons designated by the SFHA other than the person who made or approved the decision under review or a subordinate of this person.
2. The applicant will be given an opportunity to present written or oral objections to the SFHA decision.
3. The SFHA will notify the applicant of the SFHA's decision after the informal review within 14 calendar days. The notification will include a brief statement of the reasons for the final decision.

D. Considering Circumstances

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

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

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

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

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

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

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

15.3 INFORMAL HEARINGS FOR PARTICIPANTS

A. When a Hearing is Required

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

- e. A determination to terminate assistance for a participant family because of the family's action or failure to act.
 - f. A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under the SFHA policy and HUD rules.
 - g. Denial of Assistance on the Basis of Ineligible Immigration Status.
2. In cases described in paragraphs 15.3(A)(1)(d), (e), and (f), of this Section, the SFHA will give the opportunity for an informal hearing before the SFHA terminates housing assistance payments for the family under an outstanding HAP contract.

B. When a Hearing is not Required

The SFHA will not provide a participant family an opportunity for an informal hearing for any of the following reasons:

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

C. Notice to the Family

1. In the cases described in paragraphs 15.3(A)(1)(a), (b), and (c), of this Section, the SFHA will notify the family that the family may ask for an

explanation of the basis of the SFHA's determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.

2. In the cases described in paragraphs 15.3(A)(1)(d), (e), and (f), of this Section, the SFHA will give the family prompt written notice that the family may request a hearing within 10 business days of the notification. The notice will:
 - a. Contain a brief statement of the reasons for the decision; and
 - b. State this if the family does not agree with the decision, the family may request an informal hearing on the decision within 10 business days of the notification.
3. In the event that a Notice of Decision to Propose Termination is issued, a presumption of innocence will be invoked and the tenant will continue to receive assistance until a final decision is made by the Hearing Officer or Appeal Officer. However, in the interest of not burdening a prospective owner, the tenant will not be permitted to transfer to another unit until the final hearing decision is made by the hearing officer or the Appeal Officer.

The Administrator reserves the right to review requests to move on a case by case basis to assess whether a safety or financial hardship matter is requiring a move.

D. Hearing Procedures

The SFHA and participants will adhere to the following procedures:

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

Note: The term document includes records and regulations.

2. Representation of the Family

At its own expense, a lawyer or other representative may represent the family.

3. Hearing Officer

- a. The hearing will be conducted by any person or persons designated by the SFHA, other than a person who made or approved the decision under review or a subordinate of this person.
- b. The person who conducts the hearing will regulate the conduct of the hearing in accordance with the SFHA hearing procedures.
- c. Notwithstanding actual employees of the SFHA, the Hearing Officer will be an impartial third party who has no other contract obligations with the San Francisco Housing Authority (SFHA) or is otherwise engaged for services by the SFHA that would potentially pose a conflict of interest to the hearing officer's duties on behalf of the SFHA

4. Evidence

The SFHA and the family must have the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

5. Issuance of Decision

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

6. Effect of the Decision

The SFHA is not bound by a hearing decision:

- a. Concerning a matter for which the SFHA is not required to provide an opportunity for an informal hearing under this Section, or that otherwise exceeds the authority of the person conducting the hearing under the SFHA hearing procedures.

- b. Contrary to HUD regulations or requirements, or otherwise contrary to Federal, State, or local law.
- c. If the SFHA determines that it is not bound by a hearing decision, the SFHA will notify the family within 14 calendar days of the determination, and of the reasons for the determination.

E. Considering Circumstances

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

The Housing Authority may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. The Housing Authority may permit the other members of a participant family to continue receiving assistance. The Housing Authority may terminate assistance or uphold the appeal and permit continued participation in the subsidy program.

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

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

The participant family may request that the SFHA provide for an informal hearing after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. This request must be made by the participant family

within 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

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

F. Appeal Of Hearing Officer's Decision

In the event a participant wishes to appeal the hearing officer's decision, they must submit a written request for Administrative Review by the Administrator of the Section 8 Housing Department along with all supporting documentation. The Administrative Review will not include another hearing. The decision of the Administrator of the Section 8 Department will be final.

16.0 TERMINATION OF THE LEASE AND CONTRACT

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

A. Termination of the lease

1. By the family

The family may terminate the lease without cause upon proper notice to the owner and to the SFHA after the first year of the lease. The length of the notice that is required is stated in the lease (generally 30 days).

2. By the owner.

a. The owner may terminate the lease during its term and in accordance with the provisions of the Rent Ordinance for the following reasons:

- i. Serious or repeated violations of the terms or conditions of the lease;
- ii. Violation of Federal, State, or local law that impose obligations on the tenant in connection with the occupancy or use of the unit and its premises;
- iii. Criminal activity by the household, a guest, or another person under the control of the household that threatens the health, safety, or right to peaceful enjoyment of the premises by other persons residing in the immediate vicinity of the premises;
- iv. Any drug-related criminal activity on or near the premises;
- v. Other good cause. Other good cause may include, but is not limited to:
 - (1) Failure by the family to accept the offer of a new lease;
 - (2) Family history of disturbances of neighbors or destruction of property, or living or housekeeping habits resulting in damage to the property or unit;

(3) The owner's desire to utilize the unit for personal or family use or for a purpose other than use as a residential rental unit; or to renovate the unit,

b. During the first year the owner may not terminate tenancy for other good cause unless the reason is because of something the household did or failed to do.

c. The owner may only evict the tenant by instituting court action. The owner must give the SFHA a copy of any owner eviction notice to the tenant at the same time that the owner gives the notice to the tenant.

d.

3. Termination of the Lease by mutual agreement

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

B. Termination of the Contract

1. Automatic termination of the Contract

a. If the SFHA terminates assistance to the family, the contract terminates automatically.

b. If the family moves out of the unit, the contract terminates automatically.

c. The contract terminates automatically 180 calendar days after the last housing assistance payment to the owner.

2. Termination of the contract by the owner

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

3. Termination of the HAP contract by the SFHA

The Housing Authority may terminate the HAP contract because:

a. The Housing Authority has terminated assistance to the family.

b. The unit does not meet HQS space standards because of an increase in family size or change in family composition.

- c. The unit is larger than appropriate for the family size or composition under the Housing Choice Voucher Program.
- d. When the family breaks up and the SFHA determines that the family members who move from the unit will continue to receive the assistance.
- e. The SFHA determines that there is insufficient funding in their contract with HUD to support continued assistance for families in the program.
- f. The owner has breached the contract in any of the following ways:
 - i. If the owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit in accordance with the HQS.
 - ii. If the owner has violated any obligation under any other housing assistance payments contract under Section 8 of the 1937.
 - iii. If the owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.
 - iv. For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement;
 - v. If the owner engages in drug-related activity or violent criminal activity.
 - vi. The owner refuses (or has a history of refusing) to evict families for drug-related or violent criminal activity, or for activity that threatens the health, safety or right of peaceful enjoyment of the:
 - 1. premises by tenants, SFHA employees or owner employees; or
 - 2. residences by neighbors;
 - vii. Other conflicts of interest under Federal, State, or local law.

4. Final HAP payment to owner

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

17.0 IMPLEMENTATION OF COST SAVING MEASURES DUE TO HAP SHORTFALL AS A RESULT OF CONGRESSIONAL APPROPRIATIONS ACTIONS

If the SFHA experiences a shortfall in Housing Assistance Payments (HAP) funding as a result of Congressional action thru the Federal Appropriations process, the SFHA may implement a series of procedures to ensure that the fiscal solvency of the SFHA is maintained while minimizing the impact on participating families.

These procedures may include but are not limited to:

- Implementing mass rent-reasonableness re-determination
- Adjusting the Payment Standard
- Adjusting Occupancy Standards to reflect a basic two persons per bedroom regardless of age or sex or relationship policy.
- Requesting HUD authority to adjust the percentage of income a family pays for rent
- Not re-issuing turn-over units
- Not Absorbing Portability Clients from jurisdictions with higher Payment Standards
- Rescinding vouchers for the number of families necessary to meet financial obligations of the Section 8 Program. In the event this option is implemented, priority will be given to senior and/or disabled households. Following this exemption, selection will be done by random lottery.

18.0 INTELLECTUAL PROPERTY RIGHTS

No program receipts may be used to indemnify contractors or subcontractors of the SFHA against costs associated with any judgment of infringement of intellectual property rights.

19.0 SFHA OWNED HOUSING

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

- A. The SFHA will make available through the briefing process both orally and in writing the availability of SFHA owned units (notification will also include other properties owned/managed by the private sector available to Housing Choice Voucher holders).
- B. The SFHA will obtain the services of an independent entity to perform the following SFHA functions:
 - 1. Determine rent reasonableness for the unit. The independent entity will communicate the rent reasonableness determination to the family and the SFHA.
 - 2. To assist the family in negotiating the rent.
 - 3. To inspect the unit for compliance with HQS.
- C. The SFHA will gain HUD approval for the independent agency/agencies utilized to perform the above functions
- D. The SFHA will compensate the independent agency/agencies from our ongoing administrative fee income.
- E. The SFHA, or the independent agency/agencies will not charge the family any fee or charge for the services provided by the independent agency.

20.0 TRANSITION TO THE NEW HOUSING CHOICE VOUCHER PROGRAM

A. New HAP Contracts

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

B. Over-FMR Tenancy

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

C. Voucher Tenancy

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

D. Regular Certificate Tenancy

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

21.0 HOME OWNERSHIP OPTION

The Section 8 Home Ownership Assistance (HOA) Program final rule implements an amendment to the regulations for the Section 8 tenant-based rental voucher program at 24 Code of Federal (CFR) part 982, and is added as a new “special housing type,” under Subpart M. The amendments implement Section 8(y) of the United States Housing Act of 1937, as amended by Section 555 of the Quality Housing and Works Responsibility Act of 1998. Section 8(y) authorizes a Public Housing Agency (PHA) to provide tenant based assistance for an eligible family that purchases a dwelling unit that will be occupied by the family. Homeownership assistance offers a new option for families that receive Section 8 tenant based assistance.

The San Francisco Housing Authority (SFHA) hereby establishes and shall administer the HOA program in accordance with the rules and regulations outlined in the 24 CFR Section 982. Following are the policies and procedures for the operation of the SFHA HOA Program that will govern the operation of the HOA program for the SFHA and are included in the Section 8 Administrative Plan.

The SFHA shall establish a Home Ownership Advisory Committee to assist with the development of the SFHA’s HOA program to include, but not limited to, representatives from the following agencies:

San Francisco Mayor’s Office of Housing
San Francisco Redevelopment Agency
San Francisco Housing Development Corporation
Bank of America Community Reinvestment
San Francisco Board of Realtors
Housing Conservation and Development Corporation
Federal Home Loan Bank of San Francisco
Citibank Community Relations
Asian, Inc.
Urban HDC
Wells Fargo Home Mortgage

The SFHA shall add additional representatives to the Committee as assessments are made to ascertain the effectiveness of this working group.

21.1 FAMILY ELIGIBILITY AND QUALIFICATION

To qualify for the HOA program a family must meet the following eligibility criteria:

1. A family must be a participant in the SFHA tenant-based Section 8 Housing Choice Voucher Program and be in compliance with their Lease and Program Regulations.
2. Must be a “First Time Home Buyer”. To qualify as a First-time homeowner the family must meet one of the following definitions:
 - the assisted family may not include any person who owned a “present ownership interest” in a residence of any family member during the three years before the commencement of homeownership assistance for the family
 - A single parent or displaced homemaker, who while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse
 - Cooperative Members. Residents of limited equity cooperatives are eligible for the home ownership option. A family that owns or is acquiring shares in a cooperative is considered a first time home buyer, as the rule allows assistance for a family that already owns cooperative shares before commencement of Section 8 homeownership assistance, not just for a family that acquires cooperative shares for the first time with the support of such assistance. (Title to a mobile home is not considered as a home ownership for purposes of this option).
3. At least one or more of the family members who will purchase the home must be employed on a full-time basis for a minimum of twelve consecutive months prior to the application to participate in the HOA program. The minimum employment income is equal to 2000 hours at the federal minimum wage. Employment must be for not less than an average of 30 hours per week. The employment requirement does not apply to a family that includes an elderly or disabled person, or to families that include a disabled person, if granting such an exemption is needed as a reasonable accommodation. The minimum employment requirement will only be applied to determine initial eligibility and at each time the family requests to move with continued HOA. Or, in the case of a family member who will purchase the interest of the home of another family member who has ownership interest in the home.

For eligibility purposes, the SFHA shall count the welfare income of an elderly or disabled.

4. Successive and breaks of employment lasting for more than a thirty (30) day period shall be reviewed by the SFHA on a case by case basis.
5. The head of household must be a member of the Section 8 Family Self Sufficiency (FSS) program for a minimum period of at least one year, including the development of an Individual Training and Service Plan, and are meeting the obligations of their FSS contract. Or the family may be a former member of the FSS program who has

- successfully completed the program. Upon re-entry, the family will not have to meet the minimum one year FSS requirement before they are allowed to enter the HOA program. , The family will be required to meet all other obligations and pre requirements of the HOA program. Elderly and disabled persons are exempt from the requirement to participate in the FSS program, but are not prohibited from participation.
6. The family cannot include members who have defaulted on a mortgage obtained while in a HOA program. Any family that has previously defaulted on a mortgage obtained in the HOA program is permanently barred from participation in the HOA program.
 7. The family is in “Good Standing” with the SFHA. Good Standing is defined as a family who does not have a debt with the SFHA or another Housing Authority. Before approval to enter the HOA program the family must re-pay all outstanding debts to the SFHA or other Housing Authority.
 8. A family that has failed to establish a repayment agreement on a debt with the SFHA, or has failed to honor an established repayment agreement with the SFHA, or an other Housing Authority, shall be required to satisfy the debt before the family is allowed to enter the HOA program.
 9. If a family is an existing member of the FSS program and develops a debt with the SFHA, the family shall not be allowed to enter the HOA program until it has paid the debt in full. If the debt is a result of fraudulent activity on the part of the family member who has executed an FSS Contract of Participation, the SFHA, the family will be terminated from the FSS program and forfeit any escrow saved.
 10. An eligible Public Housing resident pursuant to appropriate authorization through an approved HUD grant that authorizes a Public Housing Family to participate in the Section 8 Homeownership Program. All other qualifying criteria applies to the Public Housing Family except FSS participation. However, upon acceptance, the families would be required to register with and participate in the Section 8 FSS program as a condition of HOA participation

21.2 SFHA HOA PROGRAM SIZE

The SFHA shall initially operate a HOA program of fifty-one to one hundred households, and shall increase the program size at its sole discretion. The program size shall not exceed five percent of the SFHA’s total tenant-based Housing Choice Vouchers.

21.3 OUTREACH

The SFHA shall utilize the following outreach efforts to inform potential HOA program participants and organizations involved in the home purchase field:

- a) Information workshops for prospective participants.
- b) Information workshops for Lenders, Realtors, community-based and other applicable organizations.
- c) Development of brochures, letters, memos and flyers for prospective program participants
- d) A Homeownership Program Fact Sheet will be included in the tenant information packet during Section 8 program briefings. The Fact sheet shall include a description of the HOA program, minimum program requirements and an application section to join the FSS program.
- e) Fact Sheets/FSS applications shall be provided to Section 8 participants during their annual re-certifications.
- f) Brochures about the HOA program will be placed in local consumer credit counseling agency offices, check cashing facilities, banks, mortgage companies and other applicable organizations who are working in cooperation with the SFHA.

21.4 HOME OWNERSHIP COUNSELING

Prior to approval of participation in the HOA program, each family must attend and satisfactorily complete Home Buyer Education Counseling, offered by a HUD approved counseling agency and/or the SFHA. Minimum pre-assistance counseling includes the following:

- A. Credit counseling
- B. Money management and budgeting
- C. How to negotiate the purchase price of a home
- D. How to get home ownership financing (pros & cons of different financing)
- E. How to find a home (including information about homeownership opportunities, schools, and transportation.
- F. Real Estate settlement procedures
- G. Fair Housing and local fair housing agencies
- H. How to avoid and identify predatory lending and high risk loans.

21.5 FAMILY OBLIGATIONS AND CONTINUED ASSISTANCE REQUIREMENTS:

The family must execute a Statement of Family Obligations. In the statement, the family agrees to specific obligations, rules and requirements of the HOA program as follows:

21.5.1 OCCUPANCY OF THE HOME

HOA assistance will be paid while the family is residing in the home. If the family moves out of the home, the SFHA will not continue HOA payments beyond the month the family moved out. The family or lender is not required to refund to the SFHA the HOA payment for the balance of the month the family moved out.

21.5.2 COMPLIANCE WITH THE MORTGAGE

1. The family must comply with the terms of the mortgage securing debt incurred to purchase the home, and any refinancing of such debt.
2. The family must obtain written approval from the SFHA before securing any refinance or equity loan.
3. During the time the family receives home ownership assistance, no family member may have any ownership interest in any other residential property.

21.5.3 PROHIBITION AGAINST CONVEYANCE OR TRANSFER OF THE HOME

So long as the family is receiving HOA, they may not sell, convey or transfer any interest in the home to any entity or person other than a member of the assisted family residing in the home. If the family chooses to sell the home to another family member, they must inform the SFHA of their intent prior to the sale, and receive written consent from the SFHA before commencing with any sale, refinance or transfer of interest. The family is required to provide the SFHA with applicable documentation related to any sale, refinance, or transfer.

Upon the death of a family member who holds, in whole or in part, title to the home or ownership of cooperative membership shares for the home, HOA assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of the title by operation of the law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members. The family is required to inform the SFHA of the decedent's death within fourteen (14) days of its occurrence.

21.5.4 THE FAMILY MUST PROVIDE THE SFHA WITH THE FOLLOWING INFORMATION

- a. Any mortgage or other debt incurred to purchase the home, and any refinancing of such debt (including information needed to determine whether the family has defaulted on the debt, and the nature of any such default, and information on any satisfaction or payment of the mortgage debt;
- b. Any sale or other transfer of any interest in the home.
- c. The family's homeownership expenses. During each annual re-certification, the family is required to document that it is current on mortgage, insurance and utility payments.

21.6 RELOCATION – SEE PORTABILITY

The family is prohibited from moving more than once in a twelve-month period. The family will be required to participate in pre or post-counseling prior to re-housing if more than two years have passed since the family initially entered the HOA program, or if significant HOA regulation changes have occurred that might affect the family's continued eligibility.

21.7 NOTICE OF MOVE-OUT AND MORTGAGE DEFAULT

The family must notify the SFHA of its intent to move out of the home by supplying the SFHA with an advanced written thirty-day notice.

The family will notify the SFHA in advance if any family member who owns, in whole or in part, any ownership interest in the home moves out.

The family must notify the SFHA if the family defaults on a mortgage securing any debt incurred to purchase the home within fourteen days of default.

21.8 CHANGES IN FAMILY INCOME/HOUSEHOLD COMPOSITION

The Family must inform the SFHA of any changes in the sources and amounts of family income and notify the SFHA of any changes in the family composition within fourteen (14) days of the change.

1. The family must comply with the obligations of the HOA program.
2. The family must not sublease or assign the property.
3. No family member may commit fraud, bribery or any other corrupt or criminal act in connect with the program.
4. No family member must participate in illegal drug or violent criminal activity.

21.9 COMPLIANCE WITH THE FAMILY SELF SUFFICIENCY (FSS) PROGRAM

The family must comply with the terms and requirements of the FSS program and their FSS Contract of Participation. Elderly and disabled persons are exempt from the requirement to participate in the FSS program, but are not prohibited from participation.

21.10 ONGOING COUNSELING

The family must participate in SFHA or it's designee offered home ownership counseling on at least an annual basis for the first five years the family participates in the HOA program, and each time the family moves, with continued assistance, within the jurisdiction of the SFHA.

21.11 HOMEOWNERSHIP PROGRAM BRIEFING

The family shall attend a briefing about the HOA program. At a minimum, the briefing will include the following subjects:

- a) A detailed explanation of the HOA and how it differs from the Section 8 rental assistance program.
- b) Information about HUD approved homebuyer education counseling programs, and the conditions for satisfactory completion and verification of attendance.
- c) Issuance of the HOA voucher.
- d) A list of some types of loans that are approved for use with the HOA program
- e) An explanation of how SFHA assistance portion is calculated
- f) A fact Sheet to potential lenders explaining the HOA program
- g) A list of required documents the family must provide to the SFHA to include the following:
 1. Verification of funds for the family's 3% initial down-payment investment.
 2. A copy of the contract of sale and purchase.
 3. A copy of the professional home inspection report.
 4. A copy of the pest report for home to be purchased, where available.
 5. A copy of the home purchase closing documents.
- h) A statement of family obligation and responsibility.
- i) Other related documents as deemed necessary by the Housing Authority.

21.12 HOA VOUCHER TIME LIMITS AND EXTENSIONS

The family shall be issued a Voucher for an initial period of sixty (60) days. If the family has not found a home to purchase within the initial (60) day period, the family may be granted an additional (60) days. If all necessary loan approvals, home inspections and escrow closing do not occur within the second (60) day period, the family may submit a written request for an extension for an additional (60) days to the Housing Authority. The combined maximum period cannot exceed six months. Any further extension will be at the discretion of the Section 8 Program Administrator or his assignee. The family may at any time during the six months period decide to cancel their HOA voucher and maintain their Section 8 tenant-based rental assistance status.

If the family has executed a contract of sale and fails to complete the sale for reasons other than those beyond their control, such as not securing a loan, the home fails inspections, or the sellers' failure to meet the conditions outlined in the contract of sale, the family's HOA participation request may be withdrawn by the SFHA. If a withdrawal occurs, the family will be required to wait one year before it will be allowed to participate in the HOA program.

21.13 NEW VOUCHER HOLDER

The SFHA reserves the right to restrict HOA to current Section 8 participants. New voucher holders will be given information about the HOA program for future consideration, but will not be allowed to participate in the HOA program until they have maintained residency within the city and county of San Francisco as a Section 8 participant for at least one year, except as indicated in Section 21.1.10.

Extensions on the time to locate a home shall be approved at the discretion of the Leased Housing Administrator or his appointee on a case by case basis.

21.14 MINIMUM FAMILY DOWN-PAYMENT/EQUITY REQUIREMENT

The Family must contribute a minimum of 1% of the purchase price of the home with income taken from the family's personal resources.

A family may combine personal savings along with an amount from their FSS program escrow account to accumulate the total 1% down payment.

The family must be able to demonstrate to the satisfaction of the SFHA that it has the 1% minimum on deposit with a banking, savings and loan or other financial institution, or in an FSS program escrow account. Documents that may be acceptable forms of verification may include the following:

1. Checking/savings account statements for the last three months.
2. An FSS escrow account balance report or letter.

Finance Requirements and Loan Affordability

The family is responsible for securing their own loan financing for participation in the HOA program. All loans must comply with secondary mortgage market underwriting requirements. If the loan is financed with FHA mortgage insurance such financing is subject to FHA mortgage insurance requirements. The SFHA reserves the right to review lender qualifications, loan terms, or other debt to determine that the debt is affordable. The family must provide the SFHA with a copy of their loan documents for approval by the SFHA prior to an offer to purchase or execution of a contract of sale. The loan document must include the names of all persons that are party to the loan.

If a mortgage is not FHA insured, the SFHA will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/FHA, Ginnie Mae, Fannie Mae, Freddie Mac, California Finance Agency (CFA), the Federal Home Loan Bank or other private lending institutions.

The family's loan finance terms must be approved by the SFHA prior to the close of escrow and before the family executes a contract of sale. The SFHA will determine the family's affordability of their finance terms, taking into account other family expenses

including, but not limited to, childcare, un-reimbursed medical expenses, transportation cost, education and training expenses.

21.15 LOAN RESTRICTIONS

The SFHA has identified that certain types of funding sources are considered high risk and could work towards the detriment of the family's successful participation in the HOA program. Following are some of the types of loans and financing that are not approved for use with the HOA program:

1. Balloon Payments.
2. Variable rate loans without a maximum ten percent interest rate cap.
3. Fixed rate loans with interest rates exceeding 10% percent.
4. Loans including other persons other than those listed in the family HOA application with the SFHA.
5. Seller financed loans (Exemption to this provision will be reviewed on a case by case basis).
6. Other types of loans that come to the attention of the SFHA that demonstrate a high risk factor - to be decided on a case by case basis.

There is no prohibition against using local or State Community Development Block Grant (CDBG) or other subsidized financing in conjunction with the HOA program.

21.16 CONTRACT OF SALE

1. A family must execute a purchase agreement or contract of sale with the owner of the property to be purchased. The exception is in the case of cooperative members, with existing cooperative shares.
2. All purchase agreements or contract of sale must include a provision for the SFHA to inspect the property, in addition to an inspection of the home by a licensed professional home inspector. The contract must state that the purchaser is not obligated to purchase the home unless such inspections are satisfactory to the SFHA.
3. The contract must include language stating that the purchaser is not obligated to pay for any necessary repairs without SFHA approval.
4. The contract must include language stating that the purchaser is not obligated to purchase the home if the mortgage finance terms are not approved by the SFHA
5. The contract must contain a seller certification that the seller is not debarred, suspended, or subject to limited denial of participation, under 24 CFR part 24.

21.17 LOAN DISAPPROVAL

The SFHA reserves the right to determine if the family's finance terms to secure a mortgage are acceptable under the HOA program. The SFHA decision to deny a loan shall be based on the following:

- a. The loan terms are considered high risk, ie balloon payment,
- b. Includes a variable interest rate with a cap exceeding ten percent.
- c. The family income, combined with housing assistance, is insufficient to cover all housing costs.
- d. The loan or purchase contract has terms and conditions that are burdensome and inconsistent with the HOA program rules and objective.

In the event of an appeal of the decision by the family, the Leased Housing Administrator or his assignee will review the decision.

During the initial HOA program briefing the family will receive a list of certain types of loans that are not approved for use with the HOA program. However, in the event a family secures a loan type that has been categorized as "unapproved," the Housing Authority will take the following action:

1. The family will be issued a Notice of Loan Disapproval. The notice will state the reason for the disapproval, and inform the family that they must seek another type of financing.
2. The time between submission of the loan documents and the disapproval will not be counted against the family time to find a home under the HOA program.

21.18 SELECTING REALTORS AND AGENTS

The family shall be responsible for selecting their own real estate agents, inspectors and representatives. The SFHA will not direct a family to any specific sales representatives, lenders, mortgage companies or real estate agents.

The SFHA will maintain on site data/information about real estate lenders, sales agents, down-payment programs and more which the family may choose to use at their discretion. The SFHA has established the cooperation of the following public and private organizations, which the family may choose to use at their discretion:

1. San Francisco Mayor's Office Housing and Community Development:
Down Payment Assistance (DALP) Program
Mortgage Credit Certificate (MCC) Program
1st Time Home Buyer Program
Mayor's Condominium Resale Program
2. San Francisco Consumer Credit Counseling Agency
3. San Francisco Housing Development Corporation
4. Bank of America

5. San Francisco Redevelopment Agency
6. Citibank

21.19 TYPE OF HOME AND PERMITTED OWNERSHIP ARRANGEMENTS

The SFHA must determine that the home is eligible. A family approved for HOA may purchase the following type of home within the City and County of San Francisco:

1. New or existing home;
2. Single family home;
3. Condominium;
4. Home under construction;
5. Cooperative;
6. A home within the jurisdiction of another Housing Authority, providing the receiving Housing Authority is operating a HOA program;
7. The home is a one-unit property. Homes with investment potential will not be approved for use in the HOA program;
8. The home passes a Housing Quality Standards Inspection.

The following “Special Housing Types” are not allowable for use in the HOA program.

- a. Congregate Housing;
- b. Group Homes;
- c. Shared Housing;
- d. Cooperative Housing (excluding families that are not cooperative members);
- e. Manufactured Homes;
- f. Single Room Occupancy Units.

The HOA may be utilized in two housing types

1. A unit owned by the family where one or more family members holds title to the home;
2. A cooperative unit where one or more family members hold membership shares in the cooperative.

21.20 HOME INSPECTIONS

Two kinds of physical inspections are required in the homeownership option in addition to and separate from any lender required inspections:

1. A Housing Quality Standard (HQS) inspection by the Housing Authority. The HQS inspection does not include an assessment of the adequacy and life span of the major building components, building systems, appliances and other structural components. However the inspection will indicate the current physical condition of the unit and any repairs necessary to ensure that the unit is safe and otherwise habitable.

2. An independent professional home inspection. The inspection must cover the major building systems, including the foundation, structure, plumbing, electrical and heating systems, the interior and exterior, and roof.

The home inspector cannot be an employee or contractor of the SFHA. The home inspector chosen by the family must be a member of the American Society of Home Inspectors (ASHI), the National Association of Home Inspectors (NAHI) or the American Association of Professional Home Inspectors (AAPHI). The SFHA shall maintain a database listing of membership for the ASHI, NAHI and the AAPHI for the family's use.

The home shall be inspected by the SFHA on an annual basis for the first two years of participation in the HOA program. Thereafter, no annual inspection will be completed by the SFHA.

The professional home inspection must be requested and paid for by the family and a copy of the inspection report must be provided to the SFHA

The sources of funds for family payment of the home inspection may be a source other than family savings.

21.20.1 REVIEW/APPROVAL AND DISAPPROVAL OF THE HOME INSPECTION REPORT

The SFHA will review the professional inspection report to determine whether repairs are necessary prior to purchase and to generally assess whether the purchase transaction makes sense in light of the overall condition of the home and the likely cost of repairs and capital expenditures.

If the Housing Authority HQS inspection report and the professional Inspector's report reveals that the home meets satisfactory standards and there are no deficiencies that cannot be corrected prior to sale, the SFHA shall take the following action:

1. Provide the family with a notice of inspection approval, and instruct the family to proceed with the home purchase process.

If the Housing Authority HQS inspection report and/or the Inspector's report reveals costly defects in the home, the SFHA shall take one or more of the following actions:

1. Review the report with the family to discuss whether it is feasible to have the necessary repairs completed prior to sale. If the family and the SFHA agree that such repairs would be feasible, the SFHA will outline those defects, as noted in the inspection reports that must be corrected prior to sale, within a specific time frame for correction. Upon correction of the defects, the SFHA will complete a follow-up HQS inspection. The family will be required to follow up with the

professional Inspector to review the corrections on their behalf. The family must provide the SFHA with a copy of the follow-up home inspection report.

2. Disapprove the unit for assistance because of the major physical problems and substantial correction cost and provide the family with a Notice of Disapproval. The notice will state the reason for the disapproval, and inform the family that they must withdraw their offer on the home and search for another home to purchase. The time period between the HQS inspection and the disapproval will not be counted against the family.
3. All defects and repairs must be completed at least two weeks prior to the purchase close date.

21.21 TERM OF HOMEOWNERSHIP ASSISTANCE

Except for elderly and disabled families, HOA assistance may only be paid for a maximum period of 15 years if the initial mortgage incurred to finance the purchase of the home has a term of twenty years or longer. In all other cases, the maximum term is ten years.

The maximum term for homeownership assistance does not apply to an elderly family or disabled family.

In the case of an elderly family, this exception is only applied if the family qualifies as an elderly family at the commencement of HOA.

In the case of a disabled family, the exception applies if at any time during receipt of home ownership assistance the family qualifies as a disabled family.

If, during the course of HOA, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date HOA commenced. However, such a family must be provided at least 6 months of HOA assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive Section 8 HOA).

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

1. Has an ownership interest in the unit.
2. Is the spouse of any member of the household.

21.22 AMOUNT AND DISTRIBUTION OF MONTHLY HOMEOWNERSHIP ASSISTANCE PAYMENTS

The family's Section 8 monthly home ownership assistance payment will be the lower of (1) the Section 8 voucher payment standard minus the Total Payment or (2) the monthly home owner expenses minus the Total Tenant Payment.

The payment standard for the family is the lower of

- (1) The payment standard for the family unit size; or
- (2) The payment standard for the size of the home

The payment standard is established at one of the following points:

1. Commencement of home ownership assistance for occupancy of the home; or
2. The most recent regular reexamination of the family income and composition since the commencement of home ownership assistance for occupancy of the home.

The SFHA does not establish a separate payment standard for assistance under the HOA.

Home ownership expenses include principal and interest on the mortgage debt, refinancing charges of the mortgage debt, taxes and public assessments, insurance, maintenance allowance expenses, majors repairs and replacements will be based on recommended allowances provided by a SFHA designee.

The monthly HOA payment will be made directly to the lender on behalf of the family. An exception to this provision will be made on a case by case basis, and will be approved only when direct lender payments have been determined to be unacceptable by the lender from whom the family has received their mortgage financing.

If the family's income increases to a level that it is no longer eligible to receive a home ownership 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 Home ownership assistance will automatically terminate.

21.23 DETERMINATION OF EXPENSES AND CREDITS

The amount of assistance shall be determined by the SFHA based on an adjusted voucher credit calculation in consideration of the following costs to the family:

- a. Principal and interest on the initial mortgage debt and any mortgage insurance premium incurred to finance purchase of the home and any refinance of such debt.
- b. Real estate taxes and public assessments on the home.
- c. Homeowners' insurance.
- d. The SFHA maintenance, major repairs and replacements allowance schedule.
- e. The SFHA utility allowance schedule.

Home ownership expenses for a cooperative member will include:

1. The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home.
2. Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt or other mortgage debts.
3. Homeowners' insurance

4. SFHA allowance for maintenance expenses, including major repairs and replacement
5. The SFHA utility allowance schedule.

21.24 COOPERATIVE MEMBERS

The SFHA may provide HOA to a family who is a member of a cooperative and who owns or is acquiring membership shares in the cooperative.

A cooperative is defined as: Housing owned by a nonprofit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in the management of the housing.

A cooperative member is defined as: A family of which one or more members owns membership shares in a cooperative.

Memberships shares is defined as: Shares in a cooperative. By owning such cooperative shares, the share owner has the right to reside in a particular apartment in the cooperative, and the right to participate in management of the housing.

The cooperative member must meet the basic minimum eligibility criteria established by the SFHA, including minimum income and employment requirements for at least one or more of the family members that owns or is acquiring membership shares.

The SFHA shall require an HQS inspection prior to commencement of HOA assistance. If the unit fails inspection, the SFHA will employ its standard inspection follow up procedures related to the HOA program. (See inspections). A cooperative member is exempt from the requirement to obtain a professional home inspection.

The SFHA shall make HOA payments directly to the cooperative on behalf of the cooperative member.

The cooperative family is not required to maintain continued affordability for lower income families after transfer of the members' interest.

All other requirements, policies and procedures of the HOA program shall apply to cooperative members.

21.26 LEASE –PURCHASE AGREEMENT

HOA assistance may be provided to a family that previously occupied a unit under a lease-purchase agreement. A lease-purchase agreement is a lease/rental agreement between a property owner and a tenant with the objective of the tenant to purchase/take title to the leased/rented property by a specified time. In most cases, the monthly rent includes an amount referred to as a homeownership premium, which is an increment of

value attributable to the value of the lease purchase right or agreement such as an extra monthly payment to accumulate a down-payment or reduce the purchase price.

If a family who holds a Section 8 voucher, or is currently receiving rental assistance under the Section 8 rental assistance program would like to enter into a lease-purchase agreement with the property owner, the family may do so. However, the family will not be subject to the HOA regulatory requirements until the family is ready to exercise the HOA program option. At that time the SFHA will determine if the family is eligible for HOA program.

Lease purchase agreements are considered rental, and all the normal tenant-based Section 8 rental rules are applicable. Therefore, the SFHA will not make a housing assistance payment for a lease-purchase unit that may exceed the amount that would be paid on behalf of the family if the rental unit were not subject to a lease-purchase agreement.

Any homeownership premium, or extra monthly payment towards a down payment related to the lease-purchase agreement must be absorbed by the family. Families are permitted to pay any extra amount out of pocket to the owner for purchase-related expenses. Therefore, when the SFHA determines whether or not the rent on a lease-purchase agreement is reasonable, any homeowner premium is excluded.

The family must meet all of the initial HOA program eligibility criteria before being approved to enter the HOA program. Therefore, if the family purchases or takes title to the home before receiving approval to participate in the HOA program, the family will be determined ineligible to participate in the HOA.

When a family who has leased a unit under a lease-purchase agreement is approved for participation in the HOA program, and chooses to exercise the HOA program for that unit, the family must complete the following:

- a) Meet all initial eligibility criteria for participation in the HOA program.
- b) Complete homeownership counseling.
- c) Secure mortgage financing and obtain approval of the finance terms by the SFHA.
- d) Arrange for an independent professional home inspection and provide the SFHA with a copy of the inspection report.

Upon approval to enter into the HOA program, the lease/purchase family will be processed pursuant to the established HOA procedures outlined in this plan.

21.27 PORTABILITY

A family that is determined eligible for homeownership assistance may opt to exercise their right of portability under the HOA program to an area outside of the SFHA's jurisdiction if the receiving PHA is administering an HOA program and is accepting new families into their HOA program.

The receiving PHA may absorb the HOA program family or bill the SFHA for the HOA program assistance using the normal portability billing process.

When moving to another county, a family must adhere to the receiving PHA's administrative policies. The family is required to attend a briefing and counseling sessions required by the receiving PHA. The receiving PHA, not the SFHA will determine whether the financing for and the physical condition of the unit are acceptable.

A family cannot exercise portability to a county that does not have an HOA program, or is not accepting new participants.

When a family decides to exercise portability the SFHA will take the following steps:

- a. Contact the receiving PHA to determine if it is operating an HOA program and if they are accepting new participants. If the receiving PHA does have a HOA program and they are accepting new participants, the SFHA will complete the following task:
 1. Notify the family that the receiving PHA does have a HOA program and is accepting new participant.
 2. Complete a review and verification of all family income, and request recent documentation to verify such income.
 3. Submit a letter of portability to the receiving PHA; copies of family data including documentation of all sources of income, copies of social security cards, birth certificates, bank statements and other necessary information needed to assist the receiving PHA in determining the family's HOA assistance amount.
 4. Submit to the receiving PHA a copy of the family's 50058 family summary report
 5. Submit a letter of intent to the receiving PHA of their intent to absorb the family or bill the SFHA
 6. Establish an account with the receiving PHA if a determination is made that they will not absorb the family into their HOA program.

21.28 MOVING WITH CONTINUED HOA ASSISTANCE

If a family chooses to move to another home with continued assistance from the HOA program, they must meet the statutory employment and minimum income requirements. If a family cannot meet the statutory employment and minimum income requirements, the family will be denied permission to move with continued HOA assistance.

21.29 SFHA DENIALS TO MOVE WITH CONTINUED ASSISTANCE

The SFHA may exercise the right to deny a family continued assistance when it relocates for one or more of the following reasons:

- a. Lack of funding: The SFHA may deny permission to move with continued voucher assistance if the SFHA does not sufficient funding to provide continued assistance.
- b. If a family has not met its family obligation as outlined in the HOA program Statement of Family Obligation.
- c. If the family has committed fraud in connection with the HOA program.
- d. If the family has defaulted on a FHA insured mortgage, they will not be able to receive rental assistance, but may re-apply to the Section 8 program. The SFHA, will deny the family permission to move with continued voucher assistance unless the family demonstrates:
 1. The family has conveyed title to the home, as required by HUD, to HUD or to HUD's designee; and
 2. The family has moved from the home within the period established or approved by HUD and/or the SFHA.

21.30 SWITCHING FROM HOA TO RENTAL ASSISTANCE:

The SFHA may allow a family to switch from the HOA program to the Section 8 Rental Assistance Program. The family must meet the following criteria for determination of transfer:

- a. The family has not defaulted on a loan with the HOA program
- b. The family has met all of its obligations while participating in the HOA program.
- c. The family vacates the home and conveys the title to the appropriate designee or representative. The family must sign a Conveyance Acknowledgement Notice, indicating the requirement to completely transfer and convey the property, and failure to do so will result in termination of their rental assistance if such assistance has commenced.

If the family is approved for transfer from the HOA program to rental assistance, the SFHA will issue the family a rental voucher, and the family will complete the normal voucher home search process. During the period the family is searching for a rental unit, and, if no mortgage default has occurred, the SFHA will continue to provide the family with HOA.

If the family fails to transfer or convey the property, the SFHA will not provide the family with rental assistance. If a rental assistance lease has commenced, the SFHA will terminate the family's Section 8 Voucher and rental assistance payments.

A family member who owns an interest in the home cannot split and receive both HOA assistance and rental assistance concurrently. Other family members must apply to the Section 8 wait list.

21.31 SFHA DENIALS TO PARTICIPATE IN THE HOA PROGRAM

The SFHA reserves the right to deny or terminate the assistance for the family, and will deny voucher rental assistance for the family, in accordance with HUD regulations governing any failure to comply with the family obligations, mortgage default, failure to demonstrate that the family has conveyed title to the home as required, or if the family has moved from the home within the period established or approved. A family may be denied participation in the HOA program for the following reasons:

1. It does not meet the minimum employment and income requirements.
2. They family has defaulted on a loan with the HOA program.
3. The family is not complying with their family obligation on the Section 8 rental assistance program.
4. The Family has committed fraud in connection with the Section 8 rental assistance program.
5. The family has an outstanding debt with the SFHA or another Housing Authority.

21.32 TERMINATIONS

The SFHA may terminate a family from the HOA program for one or more of the following reasons:

1. The family has defaulted on a loan with the HOA program.
2. The family has not complied with the requirements of the HOA program, and have failed to maintain their family obligations as required.
3. The family has committed fraud in connection with the HOA program.
4. The family has committed fraud in connection with the FSS Program.
5. If the family moves from the home without prior consent of the SFHA.
6. The family request to be withdrawn from the HOA program.
7. The family moves outside of the jurisdiction of the SFHA, and has entered the HOA program of another Housing Authority.
8. A family member engages in violent or criminal activity or uses the home for illegal, illicit or immoral purposes.
9. In accordance with HUD requirements.

If the SFHA proposes to terminate a family's HOA, the family has the right to request an Informal Hearing to appeal the decision to terminate, as outlined in this administrative plan. (See Informal hearings)

21.33 INFORMAL HEARINGS

The SFHA will provide the opportunity for an informal hearing to program participants who are being terminated from the program because of the family's action/failure to act. The SFHA will send the family a written notice outlining the reasons for the decision to terminate, including notification that the family may request an informal hearing within

fourteen days from the date of the notice. Assistance to the family will continue until all appeal and hearing processes have been completed.

When a participant requests a hearing, the SFHA will schedule the hearing promptly and notify the participant of the date and time of the hearing. Prior to the hearing the family will be given the opportunity to review their file and any documents that were instrumental in the decision to terminate their assistance. The family may request copies of documents relating to the termination and will be required to pay the SFHA a nominal fee for such copies. The SFHA must be given the same opportunity to examine any family documents that are directly related to the hearing and to copy them at its own expense.

A hearing Officer designated by the SFHA will conduct the hearing. This person will be someone other than the person who made the decision to terminate, or that supervises the person who made the decision. The family may retain a lawyer or other representative, at their own expense. The family will be given the opportunity to present evidence and to question any witness. The hearing officer will issue a written decision within 30 days, stating the reasons for the decision.

21.34 STATEMENT OF NON DISCRMINATION

The SFHA will administer and operate the Home Ownership Assistance Program without regard to race, religion, color, or creed, sex or sexual orientation, family status or national origin. Reasonable conveniences will be afforded to any person with disabilities, that otherwise qualify for the program; provided that such assistance does not cause undo financial and/or administrative burdens to the SFHA.

The SFHA will administer the Home Ownership Assistance Program in accordance with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973 and current statutory and regulatory rules governing Section 8 Programs.

22.0 MISCELLANEOUS

22.1 SPECIAL PURPOSE FUNDING

Occasionally, HUD will provide Section 8 voucher funding for a specific purpose. The SFHA has received allocations of special funding for the following categories:

- Homeless/Robert Wood Johnson

This was a demonstration program for homeless families which is no longer active. However families admitted under this program continue to receive Section 8 subsidies. No new families shall be admitted.

- Aftercare Program

This is a formerly State-run Program targeted to senior and disabled families who are receiving support services which enable families to work towards independent living. Applicants are referred from community based agencies who provide services to the applicants and have executed Memorandums of Understanding with the SFHA.

The SFHA maintains a separate waiting list for these applicants pursuant to the regulatory agreement executed by the State of California to establish the Aftercare subsidy program at the local jurisdiction with the same guarantees and restrictions that existed for the State-run Aftercare Program.

Selection from the waiting list is based on date and time of application. The Aftercare Program has 195 subsidies set aside for housing families from this waiting list. MOUs are currently in place with the following agencies:

- Goldman Institute on Aging
 - Golden Gate Regional Center
 - State Department of Rehabilitation/Community Mental Health Services
 - Independent Living Resource Center
 - Department of Human Services Adult Services-In Home Support Services
- Earthquake Victims

As a result of the Loma Prieta Earthquake of 1989, HUD issued a special set aside for subsidies targeted to families who were displaced by the Loma Prieta Earthquake. These units are located in the Senator Hotel, the Ritz Hotel, Iroquois Hotel, and South Park Residence. These units, primarily Single Room Occupancy (SRO) units, are filled by separate waiting lists permitted under the Moderate Rehabilitation Single Room Occupancy Program. Applications are accepted by Community Housing Partnership, TNDC, and Caritas Management Corporation at set locations, dates and times. When vacancies come available, the owners of these sites refer the next qualified candidate to the SFHA for Eligibility determination and certification.

Applications can be submitted to the following locations when open:

- Ritz Hotel Currently Closed
- Senator/Iroquois Hotels Tuesdays 1P.M. – 3 P.M.
- South Park Residence Currently Closed

SFHA shall post notices in their Section 8 office when notified of an impending open application period for any of these lists.

- Geneva Towers Relocation
 This relocation effort has been completed and is no longer accepting new referrals
- Veterans Affairs Supportive Housing (VASH)
 This program is targeted to Veterans in need of affordable housing who are working with the Veterans Administration Support Services Program. Eligible applicants are placed on a VA administered waiting list and referred to the SFHA for eligibility determination and Certification whenever a spot opens up in the Program. Interested applicants must contact the VASH Coordinator at the Veterans Administration Medical Center located at 4150 Clement Street, San Francisco for consideration to be placed on the waiting list.
- Mainstream Program
 This program provides Vouchers targeted exclusively to non-elderly disabled persons from the Section 8 wait list. The SFHA currently has 75 Vouchers assisted under the Mainstream Program.
- 1915 (C) Waivers
 Fair Share NOFAs in FY 1999 and FY 2000 provided incentive points in the scoring of applications for Housing Authorities willing to set aside at least 3 % of the awarded Voucher s for providing assistance to applicants eligible for benefits under the State’s 1915 (C) Waiver Program. San Francisco’s Goldman Institute on Aging is the only agency authorized to provide benefits under the 1915 (C) Waiver Program. The SFHA has contract with the Goldman Institute on Aging to assist it in identifying and certifying eligible participants for the 1915 (C) Waiver Program. The SFHA has committed a minimum of 54 subsidies to assist elderly persons live independently.
- HOPE VI Relocation/Replacement
 Public Housing sites which receive HOPE VI grants are eligible to issue the tenants in the awarded development Section 8 Vouchers to relocated to private housing during the rehabilitation period. Families are referred in collaboration with the SFHA relocation team assembled to facilitate the HOPE VI process.
- Conventional Public Housing Priority Transfers
- Preservation “Enhanced” Vouchers

Generally, when special funding is provided by HUD, instructions will be issued on the initial and subsequent use of the funding. The SFHA will administer the special funding in accordance with the HUD instructions.

22.2 FUNDS ISSUED TO FAMILIES LIVING IN A SPECIFIC PROJECT OR DEVELOPMENT

HUD may issue vouchers to relocate families living in a Public or Assisted Housing project or development. These families must apply under the Section 8 programs, but since the purpose of the funding is for targeted families living in a specific project, and who qualify for special consideration e.g., priority transfers, the families need not be placed on the Section 8 waiting list. These families will qualify for immediate assistance as special admissions under 24 CFR 982.203 *Special admission (non-waiting list): Assistance targeted by HUD*. Examples of this type of assistance include the Geneva Towers relocation and the HOPE VI Relocation.

22.3 ASSISTING FAMILIES EXPERIENCING ILLEGAL DISCRIMINATION

It is the policy of the SFHA to comply fully with all federal, state and local anti-discrimination laws. The SFHA will not discriminate against any individual or family because of race, color, creed, national or ethnic origin or ancestry, religion, sex, sexual preference, age, disability, handicap, military status, source of income, marital status, presence of children in a household, or because an individual has or is suspected of having Acquired Immune Deficiency Syndrome (AIDS).

During briefing sessions, families are provided with a HUD brochure, Fair Housing- It's Your Right, and a form HUD-903, Housing Discrimination Complaint. If an applicant or participation requests assistance, the SFHA will provide help in completing this form and forwarded it to the California State HUD Office of Fair Housing and Equal Opportunity.

For complaints involving state and local laws, the SFHA will refer the applicant or participant to the appropriate state or city offices. If available, the SFHA will provide forms for filing discrimination complaints to state or city offices.

22.4 FAMILY BREAK-UPS

In the event of a family break-up by divorce or legal separation, the SFHA will determine which of the remaining family members will continue to receive the Section 8 voucher. The SFHA determination will be made based on the following priorities:

1. Mutual agreement of the family members. All adult family members must sign a mutual agreement form
2. A court stipulated determination of which household retains the assistance
3. The interest of minor children or of ill, elderly or disabled family members

4. The interest of family members who are victims of actual or threatened physical violence directed against a family member by a spouse or other member of the applicant household. Certification from the local police department, a social service agency, court of proper jurisdiction, or clergy, physician or facility that provides shelter or counseling to the victims of domestic violence will be required to verify the domestic violence
5. The continued use of the assistance in the current unit
6. Head-of-household.

The family must notify the SFHA, in writing, within 14 days of the action causing the break-up and request a determination of the assignment of the assistance. The SFHA may schedule a meeting with the family members to discuss the assignment.

If the family breaks-up only one Section 8 assistance will continue to be paid. Additional Section 8 vouchers will not be issued to accommodate the other family members. However, the other family members may apply for assistance in accordance with the provisions of part A of this Admin Plan.

22.5 SPLIT HOUSEHOLDS PRIOR TO VOUCHER ISSUANCE

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim the same placement on the waiting list, and there is no court determination, the HA will make the decision taking into consideration the following factors:

1. Which family member applied as head of household
2. Which family unit retains the children or any disabled or elderly members
3. Restrictions that were in place at the time the family applied
4. Role of domestic violence in the split
5. Recommendations of social service agencies or qualified professionals such as children's protective services.

Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide the documentation, they may be denied placement on the waiting list for failure to supply information requested by the HA.

In cases where domestic violence played a role, the standard used for verification will be the same as that required for the "displaced due to domestic violence" preference.

22.6 MULTIPLE FAMILIES IN THE SAME HOUSEHOLD

When families apply which consist of two families living together, (such as a mother and father, and a daughter with her own husband or children), if they apply as a family unit,

they will be treated as a family unit.

22.7 JOINT CUSTODY OF CHILDREN

Children who are subject to a joint custody agreement but live with one parent at least 51% of the time will be considered members of the household. “51% of the time” is defined as 183 days of the year, which do not have to run consecutively.

When both parents are on the Waiting List and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent.

22.8 CHANGES IN HEAD OF HOUSEHOLD

In the event the head of household leaves the household for any reason, the remaining household members retain the Section 8 assistance. However, any new head of household must have been a member in the previous head of household’s household during the previous twelve months. This will avert the inappropriate addition of family members at the last minute to preserve the subsidy for future generations.

This provision will be waived, at the Section 8 Administrator’s discretion, in situations involving death of a head of household, custody matters concerning existing minors in the household, Domestic Violence incidents whereby the head of household is removed from the household to prevent further victimization of the remaining household members and other situations deemed appropriate by the Section 8 Administrator or designee.

23.0 REPAYMENT AGREEMENTS

Section 8 participants may incur debts to the SFHA as a result of failure to accurately report income and family composition, for charges due under the lease that are paid by the SFHA and, under the certificate program, payments for units vacated in violation of the lease. Section 8 landlords may also incur a liability as a result of overpayment of HAP. The SFHA may, at its sole discretion, initiate a termination action, require repayment in a lump sum or allow the debtor to execute a promissory note to repay the debt over a period of time. The SFHA will take into consideration the amounts owed and the likelihood that the debtor will repay the debt before approving a repayment plan.

23.1 PARTICIPANTS

When a debt from a participant is established, the SFHA will determine whether there are other outstanding repayment agreements. If there are and the participant is not current on all payments, the SFHA will not execute a new repayment agreement. The participant will be required to pay the debt in full in order to continue to receive assistance from the SFHA. If there are no outstanding repayment agreements or if an agreement exists, the participant is current on all payments and the participant has adequate resources, the SFHA will allow the participant to enter into a promissory note to repay the new debt. The SFHA will require repayment over a twelve month period, with an initial payment of no less than 25 percent of the amount owed and eleven additional monthly payments over the remaining period. For debts in excess of \$1,000, the SFHA will consider a repayment agreement term of eighteen months, with an initial payment of no less than 25 percent of the amount owed and seventeen additional monthly payments over the remaining period. The promissory note will specify the amounts and due dates of the payments.

Participants are expected to make all payments on a timely basis as indicated on the Promissory Note unless prior arrangements are made with the SFHA due to circumstances beyond the control of the participant. Upon the failure of the participant to make a payment, the SFHA will send a reminder notice requesting payment within five calendar days. If there is no response or a second payment is missed, the SFHA may send a letter demanding full payment of the outstanding amount. If a full payment is not received, the SFHA may initiate a termination of assistance action. The SFHA may periodically employ a collection agency to collect debts from terminated participants.

23.2 APPLICANTS

Applicants who owe money to any SFHA housing program or to any other Public Housing Agency (PHAs) will be required to repay the amount in full prior to receiving a voucher.

23.3 OWNERS/LANDLORDS

In situations where a contract is not canceled in the system on a timely basis, the owner may receive HAPs for periods for which he or she are not entitled. This results in amounts that are due back to the SFHA.

If the landlord has a current contract in the system, an entry will be made in the system to adjust the overpayment against subsequent HAPs, provided that the amount of overpayment can be repaid within two months. However, if the amount will take longer than two months to repay, or if the overpayment cannot be offset against subsequent HAPs, an invoice will be generated to the landlord with the amount due to the Housing Authority immediately.

23.4 OWNERS AND FAMILY DEBTS

This section discusses SFHA's policies regarding the collection of debts from owners and families, specifically the assessment of debts and method of recovering monies owed to the SFHA.

Assessment of Debt:

The SFHA shall obtain documentation and related information to support the debt. The SFHA will conduct an analysis of the debt for accuracy and the method of calculation of the amount due in a clear format.

Method of Recovering Debts:

The SFHA will make every effort to collect outstanding debts including the following means:

- Adjustment of overpayment against subsequent HAPs for current owners(s).
- Balance Due Notice for a lump-sum payment or execution of a promissory note.
- Second notice
- Final notice
- Legal Action
- Use of collection Agencies
- Credit bureau

24.0 VIOLENCE AGAINST WOMEN’S ACT

24.1 PURPOSE AND APPLICABILITY

The purpose of this policy (herein called “policy”) is to implement the applicable provisions of the Violence Against Women And Department Of Justice Reauthorization Act of 2005 (pub. L. 109-162) and more generally to set forth the SFHA’s policies and procedures regarding domestic violence, dating violence, and stalking, as hereinafter defined.

This Policy shall be applicable to the administration by SFHA of all Section 8 rental assistance under the United States Housing Act of 1937 (42 U.S.C. §1437 *et seq.*). Notwithstanding its title, this policy is gender-neutral, and its protections are available to males who are victims of domestic violence, dating violence, or stalking as well as female victims of such violence.

24.2 GOALS AND OBJECTIVES

This Policy has the following principal goals and objectives:

- A. Maintaining compliance with all applicable legal requirements imposed by VAWA;
- B. Ensuring the physical safety of victims of actual or threatened domestic violence, dating violence, or stalking who are assisted by SFHA;
- C. Providing and maintaining housing opportunities for victims of domestic violence dating violence, or stalking;
- D. Creating and maintaining collaborative arrangements between SFHA, law enforcement authorities, victim service providers, and others to promote the safety and well-being of victims of actual and threatened domestic violence, dating violence and stalking, who are assisted by SFHA; and
- E. Taking appropriate action in response to an incident or incidents of domestic violence, dating violence, or stalking, affecting individuals assisted by SFHA.

24.3 OTHER SFHA POLICIES AND PROCEDURES

This Policy shall be referenced in and attached to SFHA’s Five-Year Public Housing Agency Plan. SFHA’s annual public housing agency plan shall also contain information concerning SFHA’s activities, services or programs relating to domestic violence, dating violence, and stalking.

To the extent any provision of this policy shall vary or contradict any previously adopted policy or procedure of SFHA, the provisions of this Policy shall prevail.

24.4 DEFINITIONS

As used in this Policy:

A. *Domestic Violence* – The term ‘domestic violence’ includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person’s acts under the domestic or family violence laws of the jurisdiction.”

B. *Dating Violence* – means violence committed by a person—

(A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and

(B) where the existence of such a relationship shall be determined based on a consideration of the following factors:

(i) The length of the relationship.

(ii) The type of relationship.

(iii) The frequency of interaction between the persons involved in the relationship.

C. *STALKING – MEANS* –

(A) (i) to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; and (ii) to place under surveillance with the intent to kill, injure, harass or intimidate another person; and

(B) in the course of, or as a result of, such following, pursuit, surveillance or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to –

(i) that person;

(ii) a member of the immediate family of that person; or

(iii) the spouse or intimate partner of that person;

D. *Immediate Family Member* - means, with respect to a person –

(A) a spouse, parent, brother, sister, or child of that person, or an individual to whom that person stands in loco parentis; or

(B) any other person living in the household of that person and related to that person by blood or marriage.

E. *Perpetrator* – means person who commits an act of domestic violence, dating violence or stalking against a victim.

24.5 ADMISSIONS AND SCREENING

A. *Non-Denial of Assistance*. SFHA will not deny admission to the Section 8 rental assistance program to any person because that person is or has been a victim of domestic violence, dating violence, or stalking, provided that such person is otherwise qualified for such admission.

B. *Admissions Preference*. Applicants for housing assistance from SFHA will receive a preference in admissions by virtue of their status as victims of domestic violence [dating

violence, stalking]. This preference is particularly described as follows as part of the Involuntarily Displaced Preference: Domestic Violence: an applicant who has vacated due to actual or threatened physical violence directed against the applicant or one or more members of the applicant's family by a spouse or other household member, who lives in housing with an individual who engages in such violence.

C. *Mitigation of Disqualifying Information.* When so requested in writing by an applicant for assistance whose history includes incidents in which the applicant was a victim of domestic violence, SFHA, may but shall not be obligated to, take such information into account in mitigation of potentially disqualifying information, such as poor credit history or previous damage to a dwelling. If requested by an applicant to take such mitigating information into account, SFHA shall be entitled to conduct such inquiries as are reasonably necessary to verify the claimed history of domestic violence and its probable relevance to the potentially disqualifying information. SFHA will not disregard or mitigate potentially disqualifying information if the applicant household includes a perpetrator of a previous incident or incidents of domestic violence.

24.6 TERMINATION OF TENANCY OR ASSISTANCE

A. *VAWA Protections.* Under VAWA, persons assisted under the Section 8 rental assistance program have the following specific protections, which will be observed by SFHA:

1. An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be considered to be a “serious or repeated” violation of the lease by the victim or threatened victim of that violence and will not be good cause for terminating the tenancy or occupancy rights of or assistance to the victim of that violence.

2. In addition to the foregoing, tenancy or assistance will not be terminated by SFHA as a result of criminal activity, if that criminal activity is directly related to domestic violence, dating violence or stalking engaged in by a member of the assisted household, a guest or another person under the tenant’s control, and the tenant or an immediate family member is the victim or threatened victim of this criminal activity. However, the protection against termination of tenancy or assistance described in this paragraph is subject to the following limitations:

- a. Nothing contained in this paragraph shall limit any otherwise available authority of SFHA or a Section 8 owner or manager to terminate tenancy, evict, or to terminate assistance, as the case may be, for any violation of a lease or program requirement not premised on the act or acts of domestic violence, dating violence, or stalking in question against the tenant or a member of the tenant’s household. However, in taking any such action, neither SFHA nor a Section 8 manager or owner may apply a more demanding standard to the victim of domestic violence dating violence or stalking than that applied to other tenants.
- b. Nothing contained in this paragraph shall be construed to limit the authority

of SFHA or a Section 8 owner or manager to evict or terminate from assistance any tenant or lawful applicant if the owner, manager or SFHA, as the case may be, can demonstrate an actual and imminent threat to other tenants or to those employed at or providing service to the property, if the tenant is not evicted or terminated from assistance.

B. *Removal of Perpetrator.* Further, notwithstanding anything in paragraph 24.6.A.2. or Federal, State or local law to the contrary, SFHA or a Section 8 owner or manager, as the case may be, may bifurcate a lease, or remove a household member from a lease, without regard to whether a household member is a signatory to a lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in acts of physical violence against family members or others. Such action against the perpetrator of such physical violence may be taken without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also the tenant or a lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by law applicable to terminations of tenancy and evictions by SFHA. Leases provided and used by Section 8 owners or managers, for dwelling units occupied by families assisted with Section 8 rental assistance administered by SFHA, shall contain provisions setting forth the substance of this paragraph.

24.7 VERIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE OR STALKING

A. *Requirement for Verification.* The law allows, but does not require, SFHA or a Section 8 owner or manager to verify that an incident or incidents of actual or threatened domestic violence, dating violence, or stalking claimed by a tenant or other lawful occupant is bona fide and meets the requirements of the applicable definitions set forth in this policy. Subject only to waiver as provided below. SFHA shall require verification in all cases where an individual claims protection against an action involving such individual proposed to be taken by SFHA. Section 8 owners or managers receiving rental assistance administered by SFHA may elect to require verification, or not to require it as permitted under applicable law.

Verification of a claimed incident or incidents of actual or threatened domestic violence, dating violence or stalking may be accomplished in one of the following three ways:

1. *HUD-approved form* - by providing to SFHA or to the requesting Section 8 owner or manager a written certification, on a form approved by the U.S. Department of Housing and Urban Development (HUD), that the individual is a victim of domestic violence, dating violence or stalking that the incident or incidents in question are bona fide incidents of actual or threatened abuse meeting the requirements of the applicable definition(s) set forth in this policy. The incident or incidents in question must be described in reasonable detail as required in the HUD-approved form, and the completed certification must include the name of the perpetrator.

2. *Other documentation* - by providing to SFHA or to the requesting Section 8 owner or manager documentation signed by an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing the domestic violence, dating violence or stalking, or the effects of the abuse, described in such documentation. The professional providing the documentation must sign and attest under penalty of perjury (28 U.S.C. 1746) to the professional's belief that the incident or incidents in question are bona fide incidents of abuse meeting the requirements of the applicable definition(s) set forth in this policy. The victim of the incident or incidents of domestic violence, dating violence or stalking described in the documentation must also sign and attest to the documentation under penalty of perjury.

3. *Police or court record* – by providing to SFHA or to the requesting Section 8 owner or manager a Federal, State, tribal, territorial, or local police or court record describing the incident or incidents in question.

B. *Time allowed to provide verification/ failure to provide.* An individual who claims protection against adverse action based on an incident or incidents of actual or threatened domestic violence, dating violence or stalking, and who is requested by SFHA, or a Section 8 owner or manager to provide verification, must provide such verification within 14 business days (*i.e.*, 14 calendar days, excluding Saturdays, Sundays, and federally-recognized holidays) after receipt of the request for verification. Failure to provide verification, in proper form within such time will result in loss of protection under VAWA and this policy against a proposed adverse action.

C. *Waiver of verification requirement.* The Section 8 Administrator of SFHA or designee may, with respect to any specific case, waive the above-stated requirements for verification and provide the benefits of this policy based on the victim's statement or other corroborating evidence. Such waiver may be granted in the sole discretion of the Section 8 Administrator. Any such waiver must be in writing. Waiver in a particular instance or instances shall not operate as precedent for, or create any right to, waiver in any other case or cases, regardless of similarity in circumstances.

24.8 Confidentiality

A. *Right of confidentiality.* All information (including the fact that an individual is a victim of domestic violence, dating violence or stalking) provided to SFHA or to a Section 8 owner or manager in connection with a verification required under section 24.7 of this policy or provided in lieu of such verification where a waiver of verification is granted, shall be retained by the receiving party in confidence and shall neither be entered in any shared database nor provided to any related entity, except where disclosure is:

1. requested or consented to by the individual in writing, or
2. required for use in a public housing eviction proceeding or in connection with termination of Section 8 assistance, as permitted in VAWA, or
3. otherwise required by applicable law.

B. *Notification of rights.* All tenants participating in the Section 8 rental assistance program administered by SFHA shall be notified in writing concerning their right to confidentiality and the limits on such rights to confidentiality.

24.9 Transfer to New Residence

A. *Application for transfer.* In situations that involve significant risk of violent harm to an individual as a result of previous incidents or threats of domestic violence, dating violence, or stalking, SFHA will, if an approved unit size is available at a location that may reduce the risk of harm, approve transfer by a public housing or Section 8 tenant to a different unit in order to reduce the level of risk to the individual. A tenant who requests transfer must attest in such application that the requested transfer is necessary to protect the health or safety of the tenant or another member of the household who is or was the victim of domestic violence dating violence or stalking and who reasonably believes that the tenant or other household member will be imminently threatened by harm from further violence if the individual remains in the present dwelling unit.

B. *Action on applications.* SFHA will act upon such an application promptly.

C. *Portability.* Notwithstanding the foregoing, a Section 8-assisted tenant will not be denied portability to a unit located in another jurisdiction (notwithstanding the term of the tenant's existing lease has not expired, or the family has not occupied the unit for 12 months) so long as the tenant has complied with all other requirements of the Section 8 program and has moved from the unit in order to protect a health or safety of an individual member of the household who is or has been the victim of domestic violence dating violence or stalking and who reasonably believes that the tenant or other household member will be imminently threatened by harm from further violence if the individual remains in the present dwelling unit.

24.10 COURT ORDERS/FAMILY BREAK-UP

A. *Court orders.* It is SFHA's policy to honor orders entered by courts of competent jurisdiction affecting individuals assisted by SFHA and their property. This includes cooperating with law enforcement authorities to enforce civil protection orders issued for the protection of victims and addressing the distribution of personal property among household members in cases where a family breaks up.

B. *Family break-up.* Other SFHA policies regarding family break-up are contained in Section 22 of this Section 8 Administrative Plan

24.11 RELATIONSHIPS WITH SERVICE PROVIDERS

It is the policy of SFHA to cooperate with organizations and entities, both private and governmental, that provide shelter and/or services to victims of domestic violence. If SFHA staff become aware that an individual assisted by SFHA is a victim of domestic violence, dating violence or stalking, SFHA will refer the victim to such providers of shelter or services as appropriate. Notwithstanding the foregoing, this Policy does not create any legal obligation requiring SFHA either to maintain a relationship with any particular provider of shelter or services to victims of domestic violence or to make a referral in any particular case. SFHA's annual public housing agency plan shall describe providers of shelter or services to victims of domestic violence with which SFHA has referral or other cooperative relationships.

24.12 NOTIFICATION

SFHA shall provide written notification to applicants, tenants, and Section 8 owners and managers, concerning the rights and obligations created under VAWA relating to confidentiality, denial of assistance and, termination of tenancy or assistance.

25.0 DISASTER HOUSING ASSISTANCE PROGRAM

HUD has been contracted to handle disaster housing assistance on behalf of the Federal Emergency Management Agency (FEMA). A new program has been created to handle this process and codified in the Code of Federal Regulation called the Disaster Housing Assistance Program (DHAP).

This program is governed by HUD PIH Notices 2007-26, 2007-31 2008-01 and 2008-21 in addition to the any Federal Register and HUD guidance issued on the subject matter.

There are some discretionary issues in the regulations that the SFHA must address that involve participant compliance and case management.

25.1 *Case Management Thresholds*

Case management guidelines are documented in PIH Notice 2008-01. The guidance requires that there be clear policy language in the PHA Administrative Plan regarding optional regulatory provisions. The policies of the SFHA shall be as follows:

The ratio of SFHA Staff to participant for case management will not exceed 1:50.

25.2 *Case Management Breach of Obligations*

If a participant family fails to meet their family obligations under the DHAP or does not fulfill case management responsibilities, the family may be terminated from the Program. The Minimum Standards for Case Management compliance that may be cause for termination are as follows:

- a) Failure to establish and actively comply with Independent Development Plan (IDP) - Form HUD 8059 and it's guidelines.
- b) The Head of Household has missed three consecutive contact attempts. Contacts missed due to legitimate family emergency will be excused.

GLOSSARY

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

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

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

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

Administrative Plan: The plan that describes housing authority policies for the administration of the tenant-based Section 8 programs.

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

Adult: A household member who is 18 years or older or who is the head of the household, or spouse, or co-head.

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

Amortization Payment: In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home.

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

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

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

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

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

Assets: see net family assets.

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

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

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

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

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

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

Citizen: A citizen or national of the United States.

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

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

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

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

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

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

Dating Violence- The term ‘dating violence’ means violence committed by a person—(A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) The length of the relationship. (ii) The type of relationship. (iii) The frequency of interaction between the persons involved in the relationship.”

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

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

Department: The Department of Housing and Urban Development.

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

Disability assistance expenses: Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

Disabled family: A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Disabled person: See "person with disabilities."

Displaced family: A family in which each member, or whose sole member, is a person displaced by governmental action (such as urban renewal), or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Displaced person: A person displaced by governmental action (such as urban renewal), or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Domestic Violence - The term 'domestic violence' includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction."

Drug related criminal activity: Illegal use or personal use of a controlled substance, and the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use, of a controlled substance.

Drug trafficking: The illegal manufacture, sale, or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance.

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

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

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

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

Extremely low-income families: Those families whose incomes do not exceed 30% of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families.

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

Fair market rent (FMR): The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing

market area to rent privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. FMRs are published periodically in the Federal Register.

Family: A family is two or more persons sharing residency whose income and resources are available to meet the family's needs, and who are either related by blood, marriage or operation of law, or who have evidenced a stable family relationship over a period of time (not less than one year).

Family includes but is not limited to:

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

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

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

Family share: The portion of rent and utilities paid by the family.

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

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

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

Full-time student: A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational

institution includes a vocational school with a diploma or Certificate Program, as well as an institution offering a college degree.

Gross rent: The sum of the rent to the owner plus any utilities.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Minimum Family Contribution (MFC):

- (1) Minimum family contribution is the amount calculated under Section 3(a)(1) of the 1937 Act. which is the higher of :

30% of the family's monthly adjusted income;

10% of the family's monthly income;

Minimum rent; or

if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of such payments which is so designated.

If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under Section 3(a)(1) shall be the amount resulting from one application of the percentage.

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

Moderate rehabilitation: Rehabilitation involving a minimum expenditure of \$3000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to:

- a. upgrade to decent, safe and sanitary condition to comply with the Housing Quality Standards or other standards approved by HUD, from a condition below these standards (improvements being of a modest nature and other than routine maintenance; or
- b. repair or replace major building systems or components in danger of failure.

Monthly adjusted income: One twelfth of adjusted income.

Monthly income: One twelfth of annual income.

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

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

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

Net family assets:

- a. Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
- b. In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.

- c. In determining net family assets, housing authorities or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

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

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

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

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

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

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

Person with disabilities: A person who:

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

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

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

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

- (1) is expected to be of long-continued and indefinite duration,
 - (2) substantially impedes his or her ability to live independently, and
 - (3) is of such a nature that such ability could be improved by more suitable housing conditions, or
- c. Has a developmental disability as defined in Section 102(7) of the of the Developmental Disabilities Assistance and Bill of Rights Act.

"Severe chronic disability that:

- (1) is attributable to a mental or physical impairment or combination of mental and physical impairments;
- (2) is manifested before the person attains age 22;
- (3) is likely to continue indefinitely;
- (4) results in substantial functional limitation in three or more of the following areas of major life activity: (1) self care, (2) receptive and responsive language, (3) learning, (4) mobility, (e) self-direction, (6) capacity for independent living, and (7) economic self-sufficiency; and
- (5) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated."

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Stalking – “means -(A) (i) to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; and (ii) to place under surveillance with the intent to kill, injure, harass or intimidate another person; and (B) in the course of, or as a result of, such following, pursuit, surveillance or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to – (i) that person; (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person; ...”

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

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

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

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

Tenant rent: The amount payable monthly by the family as rent to the owner minus any utility allowance.

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

Tolling: see suspension.

Total tenant payment (TTP): [Please see Minimum Family Contribution (MFC):]

- (1) Total tenant payment is the amount calculated under Section 3(a)(1) of the 1937 Act. which is the higher of :

30% of the family's monthly adjusted income;

10% of the family's monthly income;

Minimum rent; or

if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of such payments which is so designated.

If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under Section 3(a)(1) shall be the amount resulting from one application of the percentage.

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

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

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

Verification:

- a. The process of obtaining statements from sources that can attest to the accuracy of the amounts of income, expenses, or household member status (e.g., employers, public assistance agency staff, doctors).
- b. The three types of verification are:
 - (1) Third-party verification, either written or oral, obtained from employers, public assistance agencies, schools, etc.)

(2) Documentation, such as a copy of a birth certificate or bank statement

(3) Family certification or declaration (only used when third-party or documentation verification is not available)

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

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

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

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

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

Welfare assistance. Welfare or other payments to families or individuals, based on need, that are made under programs funded by Federal, State or local governments. *[24 CFR 5.603(d)]*

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

ACRONYMS

ACC Annual Contributions Contract

CACC Consolidated Annual Contributions Contract

CFR Code of Federal Regulations

FMR Fair Market Rent

FSS Family Self Sufficiency (program)

HA Housing Authority

HAP Housing Assistance Payment

HCDA Housing and Community Development Act

HQS Housing Quality Standards

HUD Department of Housing and Urban Development

INS (U.S.) Immigration and Naturalization Service

MFC Minimum Family Contribution

NAHA (Cranston-Gonzalez) National Affordable Housing Act

NOFA Notice of Funding Availability

OMB (U.S.) Office of Management and Budget

PBC Project-Based Certificate (program)

QHWRA Quality Housing and Work Responsibility Act of 1998

PHA Public Housing Agency

TTP Total Tenant Payment

CHAPTER TWO

PROJECT-BASED CERTIFICATE (PBC) RESTRICTIONS

Project-based assistance attached to units pursuant to an Agreement executed by the SFHA and owner before January 16, 2001.

Units under the PBC program are subject to the provisions of 24 CFR part 983 codified as of May 1, 2001.

For the duration of the HAP term for PBC units, 24 CFR 983 revised as of April 1, 2002 shall guide SFHA actions on leasing of units and administration of the HAP contract. Unless specifically exempted by Initial Guidance as of January 16, 2001, or Final Rule on November 14, 2005, inapplicable regulations and guidance cannot apply to the PBC Program.

PBC Program does not permit Continued Assistance for moves unless the HAP Contract is terminated by the SFHA or HUD.

All policies specifically not exempted by Final Rule shall apply.

RENEWALS

One year prior to the expiration of the 15-year term of the PBC Contract, the SFHA shall determine whether the renewal of the contract is appropriate to preserving affordable housing in the jurisdiction for low income families and, if so, provide owners with the option to renew under the Project-Based Voucher Program. Pursuant to the 2007 Appropriations Act, PBC HAP Contracts may be renewed provided that the initial renewal term is for 10 years and rents are calculated pursuant to the PBV Final Rule pursuant to 24 CFR.301-305.

Provisions regarding “Consistency With PHA Plan and Other Goals” and “Income Mixing Requirements” do not apply to renewal PBC contracts as PBV contracts.

PBC Renewals require the execution of a PBV HAP Contract Addendum and execution of a PBV Existing Hap Contract.

The renewal PBV contract is subject to the provisions of the PBV Program except that the following provisions do not apply:

- Selection of the units must be consistent with deconcentration of poverty and expanding housing opportunities;
- PBV HAP Contract must be consistent with the PHA Plan
- Not more than 25 % of the dwelling units in the building may be assisted under a PBV HAP Contract.

San Francisco Housing Authority

Section 8 Housing Department



Chapter Three

Administrative Plan

Section 8 Project-Based Voucher

Program

Initial Guidance

SECTION 8 PBV ADMINISTRATIVE PLAN- INITIAL GUIDANCE

1.0 EQUAL OPPORTUNITY

1.1 FAIR HOUSING

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

No person shall, on the ground of race, color, sex, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the SFHA housing programs.

To further its commitment to full compliance with applicable Civil Rights laws, the SFHA will provide Federal/State/local information to applicants for and participants in the Section 8 Project-Based Voucher (PBV) Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at the SFHA office. In addition, all written information and advertisements will contain the appropriate Equal Opportunity language and logo.

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

1.2 REASONABLE ACCOMODATION

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

SFHA policies for implementation of reasonable accommodations as outlined in Section 1.3 and 1.4 of the Section 8 Program Administrative Plan apply to the PBV Program.

1.3 SERVICES FOR NON-ENGLISH SPEAKING APPLICANTS AND PARTICIPANTS

The SFHA will endeavor to have bilingual staff or access to people who speak languages other than English to assist non-English speaking families. The following languages may be accommodated:

- Spanish
- Chinese
- Samoan
- Russian
- Vietnamese

1.4 PROJECT-BASED VOUCHER PROGRAM LIMIT

The PBV Program cannot exceed 20 percent of the total number of budgeted units under the SFHA's Housing Choice Voucher Program.

1.5 CONSISTENCY WITH THE PHA PLAN

The PBV shall be consistent with the goals and objectives of the SFHA Annual Plan. Each Plan shall have a statement of the number of PBV units, general locations and how Project-Basing units will be consistent with the SFHA Plan.

1.6 RIGHT TO PRIVACY

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

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

In accordance with State and Federal Constitutional protections, the SFHA will respect the privacy of information relating to applicants, participants, and tenants in SFHA programs. Accordingly, personal information is deemed private and confidential and will be released only by authorization of the SFHA PBV Administrator and written consent of the affected party or by court subpoena.

It is important to note that the privacy policy is applicable to the release of participant information and not the gathering and use of information necessary to ensure eligibility and compliance with program regulations. Except, as required by federal regulations,

solicited by the SFHA unless directly attributed to carrying out the responsibilities of the agency.

1.7 *REQUIRED POSTINGS*

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

- A. The Section 8 PBV Administrative Plan
- B. Notice of the status of the waiting list (opened or closed)
- C. Address of all SFHA offices, office hours, telephone numbers, TDD numbers, and hours of operation
- D. Income Limits for Admission
- E. Informal Review and Informal Hearing Procedures
- F. Fair Housing Poster
- G. Equal Opportunity in Employment Poster

1.8 *Definitions*

Existing Housing – For purposes of the PBV Program, an existing unit is a unit which, at the time of written notice of selection of the project for PBV assistance, requires less than \$1000.00 in rehabilitation including its prorated share of work to be done to common areas and systems to meet HQS.

De-concentration Requirement – All new assistance under the PBV Program must be for units located in census tracts with poverty rates of less than 20 percent.

Twenty-Five Percent Maximum – No more than 25 % of the units in any PBV project may receive assistance excepted as noted below.

- Single family dwellings (four or fewer units)
- Dwellings specifically designated for elderly
- Dwellings specifically designated for disabled families (as defined by HUD in 24 CFR 5.403 (b).
- Families receiving supportive services as defined by HUD

1.9 Inclusionary Clause

Notwithstanding the contents of this PBV Administrative Plan, for all areas not specifically addressed by this plan the Section 8 Administrative Plan shall govern as a supplement to Part 983 of 24 CFR.

2.0 SFHA /OWNER RESPONSIBILITY/ OBLIGATION OF THE FAMILY

This Section outlines the responsibilities and obligations of the SFHA, the Section 8 Owners/Landlords, and the participating families.

2.1 SFHA RESPONSIBILITIES

- A. The SFHA will comply with the consolidated ACC, the application, HUD regulations and other requirements, and the SFHA Section 8 PBV Administrative Plan.
- B. In administering the program, the SFHA must:
 - 1. Publish and disseminate information about the availability and nature of housing assistance under the program;
 - 2. Explain the program to owners and families;
 - 3. Encourage owners to make units available for leasing in the program, including owners of suitable units located outside areas of poverty or racial concentration;
 - 4. Affirmatively further fair housing goals and comply with equal opportunity requirements;
 - 5. Make efforts to help disabled persons secure satisfactory housing;
 - 6. Receive applications from families, determine eligibility, maintain the waiting list, select applicants, certify each selected family, and provide housing information to families selected;
 - 7. Determine who can live in the assisted unit at admission and during the family's participation in the program;
 - 8. Obtain and verify evidence of citizenship and eligible immigration status in accordance with 24 CFR part 5 and as outlined in Section 3.2 C of the Section 8 Administrative Plan

9. Inspect the unit before the assisted occupancy begins and at least annually during the assisted tenancy or as deemed appropriate by 24 CFR Part 983;
10. Determine the amount of the housing assistance payment for a family;
11. Determine the maximum rent to the owner and whether the rent is reasonable;
12. Make timely housing assistance payments to an owner in accordance with the HAP contract;
13. Examine family income, size, composition at admission, and annually during the family's participation in the program. The examination includes verification of income and other family information;
14. Establish and adjust SFHA utility allowance;
15. Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action as determined by the SFHA, if the owner defaults (e.g., HQS violation);
16. Determine whether to terminate assistance to a participant family for violation of family obligations;
17. Conduct informal reviews of certain SFHA decisions concerning applicants for participation in the program;
18. Conduct informal hearings on certain SFHA decisions concerning participant families;
19. Provide sound financial management of the program;

2.2 OWNER RESPONSIBILITY

- A. The owner is responsible for performing all of the owner's obligations under the Agreement (New Construction and Rehabilitation Only), HAP contract and the lease.
- B. The owner is responsible for:
 1. Performing all management and rental functions for the assisted unit, including selecting a tenant from the Section 8 PBV waiting list to lease the unit, and deciding if the family is suitable for tenancy of the unit.
 2. Renting eligible units solely to eligible PBV families;

3. Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
 4. Complying with equal opportunity requirements.
 5. Preparing and furnishing to the SFHA information required under the HAP contract;
 6. Collecting from the family:
 - a. Any security deposit required under the lease.
 - b. The tenant contribution (the part of rent to owner not covered by the housing assistance payment.
 - c. Any charges for unit damage by the family.
 7. Enforcing tenant obligations under the lease.
 8. Paying for utilities and services (unless paid by the family under the lease.)
- C. For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities see 24 CFR 100.203.

2.3 OBLIGATIONS OF THE PARTICIPANT

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

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

B. HQS breach caused by the Family

The family is responsible for any HQS breach caused by the family or its guests.

C. Allowing SFHA Inspection

The family must allow the SFHA to inspect the unit at reasonable times and after at least 24 hours notice.

D. Violation of Lease

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

E. Family Notice of Move or Lease Termination

The family must provide the owner at least 30 day's notice in writing, with copy to SFHA before the family moves out.

F. Owner Eviction Notice

The family must promptly give the SFHA a copy of any owner eviction notice it receives.

G. Use and Occupancy of the Unit

1. The family must use the assisted unit for a residence by the family. The unit must be the family's only residence.
2. Prior to the SFHA approval of the composition of the assisted family residing in the unit, the owner must first authorize the addition of any household member. The SFHA will send the owner the appropriate form for the owner to sign. The SFHA must approve the composition of the assisted family residing in the unit. The family must promptly inform the SFHA of the birth, adoption or court-awarded custody of a child. The family must request approval from the SFHA to add any other family member as an occupant of the unit. No other person (i.e., no one but members of the assisted family) may reside in the unit (except for a foster child/foster adult or live-in aide as provided in paragraph (4) of this Section).
3. The family must promptly notify the SFHA if any family member no longer resides in the unit.
4. If the SFHA has given approval, a foster child/foster adult or a live-in aide may reside in the unit.

5. Members of the household may engage in legal profit making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family. Any business uses of the unit must comply with zoning requirements and the affected household member must obtain all appropriate licenses.
6. The family must not sublease the unit.
7. The family must not assign the lease or transfer the unit.

H. Absence from the Unit

The family must supply any information or certification requested by the SFHA to verify that the family is living in the unit, or relating to family absence from the unit, including any SFHA requested information or certification on the purposes of family absences. The family must cooperate with the SFHA for this purpose. The family must promptly notify the SFHA of its absence from the unit.

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

Authorized absences may include, but are not limited to:

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

I. Interest in the Unit

The family may not own or have any interest in the unit.

J. Fraud and Other Program Violation

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

K. Crime by Family Members

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

L. Other Housing Assistance

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

3.0 ELIGIBILITY FOR ADMISSION

3.1 INTRODUCTION

There are five eligibility requirements for admission to Section 8 PBV Programs – must qualify as a family, must have an income within the income limits, must meet citizenship/eligible immigrant criteria, must provide documentation to verify you have Social Security Numbers for all household members, and sign consent authorization documents. In addition to the eligibility criteria, families must also meet the SFHA screening criteria in order to be admitted to the Section 8 PBV Program.

For the purposes of determining eligibility for the Section 8 PBV Program, Section 3.2 of the Section 8 Administrative Plan shall apply.

4.0 ADMINISTRATION OF WAITING LIST

4.1 OPENING THE WAITING LIST

The Project-Based Program waiting list shall be the same as the waiting list for the Existing Section 8 Program. All applicants assisted under the PBV Program must come from the Section 8 wait list except in the following cases: The allocation of subsidies to units under the Project-Based Program which were dedicated to applicants who were Clean and Sober. The Clean and Sober units are located at 480 Ellis Street, 425 Eddy Street, 2973-77 26th Street and 1221-23 Cortland Avenue. Referrals to these PBV units are required to be no more than 60 days out of treatment and could document 90 days sobriety (180 days for families). After initial lease up, because the referrals to these units need to have current Clean and Sober status, the waiting list shall be left open to enable newly vacant units to receive eligible applicants. Due to the requirement that applicants could not be more than 60 days out of treatment, referrals to the list are only made at the time a vacancy is known to be imminent. Eligible applicants should apply to the Ozanom Center, a detoxification center for substance abusers located at 1175 Howard Street, to submit an application and be placed on a waiting list. No more than fifteen names are

maintained on the list at any given time. Clean and Sober Service Providers make referrals to the participating sites and, once accepted for suitability, are referred to the SFHA for Eligibility determination. In addition, in-place tenants of approved PBV units can be referred to the wait list by the owner of the project for assistance in order to prevent displacement of the tenant due to PBV activity. In addition, owners may refer families to the Section 8 wait list for assistance in their PBV units after no referrals have been made to the owner by the SFHA for 60 days.

Other applications for the Section 8 PBV Program may be made pursuant to any stated format in advertisements published pursuant to section 5.2 below.

The SFHA will accept pre-applications for placement on the waiting list at which time the applicant will self-declare their eligibility based on the eligibility requirements noted in the published announcement of the opening of the waiting list. Just prior to Certification, applicants will be required to complete an application for final eligibility determination whereby the SFHA staff will verify all income, assets and the preferences declared by the applicant during the pre-application stage.

Pre-applications will be accepted during the advertised periods of enrollment. These enrollment periods are determined based upon the need for the SFHA to augment its Section 8 PBV waiting list so that the SFHA will have a sufficient number of applicants to maintain an adequate level of occupancy.

4.2 APPLICATION PROCESS

The SFHA will take pre-applications pursuant to a public advertisement. Pre-application intake will be announced to the public in advertisements run once a week for three consecutive weeks. Advertisements will be placed in the following:

- San Francisco Chronicle/Examiner
- Minority-owned and foreign language newspapers
- Posting in the lobby of the SFHA office at 440 Turk Street and the Leased Housing Division office.
- Posting in offices of the Public Housing developments of the SFHA
- Radio and television stations (if possible) in order to inform the visually impaired
- Notices circulated for posting at social service agencies, community centers and Bay Area Public Housing Agencies.

The advertisement will inform interested parties of the pre-application system to be used by the SFHA; the dates, times and locations pre-applications can be obtained; the

deadline date, method and location for submitting the pre-applications and basic eligibility requirements.

4.3 RANKING METHOD

Pre-applications will be selected from the total applicant pool by random lottery and ranked on the waiting list by preference category. The pre-application will ask applicants to designate which priority category they believe they will qualify for. Pre-applications will be sorted in each preference category by date and time of application and a list generated in rank order.

In limited, targeted outreach, the SFHA reserves the right to rank pre-applications in order of date and time received in lieu of conducting a random lottery to determine the applicants' places on the waiting list.

Each applicant will be provided with a description of all SFHA preferences and will be required to self-certify, at the time of pre-application, whether the household qualifies for a preference. Selection from the Section 8 PBV waiting list will be based on pre-applicant self-certification. At the time of final eligibility determination, SFHA applicants will be required to certify to all information they provide to SFHA and to sign verification forms permitting the release of information from verifying agencies, including the Authorization to Release Information/Privacy Act Notice form which is a general release form. Documentation of all verifications will be placed in the applicant/participant file.

Family income and assets and all factors related to eligibility must be verified, including preferences and immigration eligibility. Verifications must be completed before an applicant will be Certified for participation in the PBV Program except as provided by Section 214 of the Housing and Community Development Act of 1980 regarding verification of Immigration Status. SFHA will use third party verification whenever possible. This will include mailing forms directly to the third party and having them mailed back to SFHA. If third party written verification is not possible, SFHA will review documents brought in by applicants/current participants or obtain oral verification with the third party by phone, documenting name, department, position, date of verification and other pertinent information. If there are no documents, SFHA may use a notarized applicant certification for verification.

If the priority category changes for any reason, the applicant will be placed at the end of the proper preference category.

4.4 CLOSING OF THE WAITING LIST

The advertisement opening the waiting list will also specify when the period for submitting pre-applications will end. A notice will be posted in the lobby of the main office of the SFHA (440 Turk Street) and the Leased Housing Division office advising

interested parties that the SFHA is not accepting pre-applications for the Section 8 Program.

5.0 SELECTION FROM THE WAITING LIST

5.1 PREFERENCES

In accordance with the Quality Housing and Work Responsibility Act of 1998, SFHA will administer its Section 8 PBV program so that the following Income Targeting objectives are achieved for the period from April 1, 1999 through September 30, 2000, and for each fiscal year thereafter:

- Not less than 75% of new admissions to project-based Section 8 assistance programs must have incomes at or below 30 % of the area median income.
- The remainder of new admissions to project-based Section 8 assistance programs must have incomes at or below 80% of the area median.]

Notwithstanding the above, if necessary to meet the statutory requirement that 75% of newly admitted families in any fiscal year be families who are extremely low-income, the SFHA retains the right to skip higher income families on the waiting list to reach extremely low-income families. This measure will only be taken if it appears the goal will not otherwise be met. To ensure this goal is met, the Housing Authority will monitor incomes of newly admitted families and the income of the families on the waiting list.

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

However, despite all preference categories listed below, in-place tenants of PBV units and families referred by owners of PBV units shall have priority to remain housed in their units at the end of the rehabilitation period or be referred to a vacant PBV unit for which no applicant has been referred by the SFHA within 60 days of the vacancy period.

The SFHA has adopted the Federal Preferences as Local Preferences in administering its assisted housing programs. [If Federal Preferences are required, the SFHA local preferences are to be considered ranking preferences.]

The SFHA employs the following system of local preferences in administering its wait list. The local preferences consist of:

2. INVOLUNTARY DISPLACEMENT:

An applicant is or will be involuntarily displaced if the applicant has vacated or will have to vacate his or her housing unit as a result of one or more of the following actions:

Natural Disaster: a disaster such as a fire, flood or earthquake that resulted in the uninhabitability of the applicant's unit.

Domestic Violence: an applicant who has vacated due to actual or threatened physical violence directed against the applicant or one or more members of the applicant's family by a spouse or other household member, who lives in housing with an individual who engages in such violence.

Government Action: an action of a government agency related to code enforcement or public improvement or development.

Landlord Action: an action by a housing owner that results in an applicant's having to vacate his or her unit, where the reason for the owner's action was beyond the applicant's ability to control or prevent, and despite the applicant having met all previously imposed conditions of occupancy, and the action is other than a rent increase.

2. SUBSTANDARD HOUSING:

Homeless: An applicant who is a "homeless family" shall be considered to be living in substandard housing if the individual or family:

Lacks a fixed regular, and adequate nighttime residence; and

Has a primary residence that is:

A supervised publicly or privately operated shelter designed to provide temporary living accommodations, (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); or

An institution that provides a temporary residence for individuals intended to be institutionalized; or

A public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings.

A "homeless family" does not include any individual imprisoned or otherwise detained pursuant to state or federal law.

Non-Homeless: A non-homeless family is living in substandard housing if their present unit meets any of the following criteria: it is "dilapidated;" it does not have operable indoor plumbing; it does not have a usable flush toilet and a usable bathtub or shower inside the unit for the exclusive use of the family; it does not have electricity, or has inadequate or unsafe electrical service; it does not have a safe or adequate source of heat;

it should, but does not have a kitchen, or it has been declared unfit for habitation by a government agency. A housing unit is "dilapidated" if it does not provide safe and adequate shelter, and in its present condition endangers the health, safety, or well-being of a family or it has one or more critical defects or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding. The defects may have resulted from the original construction, or from continued neglect or lack of repair, or from serious damage to the structure.

3. PAYING MORE THAN 50% OF INCOME FOR HOUSING:

An applicant shall qualify for this federal preference if the family is paying more than 50 percent of the total family income for rent. However, an applicant may not qualify for a preference under this section if the applicant is paying more than 50 percent of family income to rent a unit because his or her housing assistance under the public housing, Section 8 program, or any program under the Housing and Urban Development Act of 1965 with respect to that unit has been terminated as a result of the applicant's refusal to comply with applicable program policies and procedures with respect to the occupancy of under-occupied and overcrowded units.

The SFHA will weigh each local preference equally. That is, an applicant that meets the federal definition of any or all of the local preferences will receive an equal priority. Specific applicant preference procedures, definitions and requirements not covered in this policy shall follow the HUD regulations found at 24 CFR Part 5, as amended from time to time.

The SFHA has adopted the following as secondary local preferences:

4. Residency status: A family is considered a "resident" of the City and County of San Francisco, if (a) they live in San Francisco or (b) the head of household or spouse is employed or has been notified that he/she has been hired to work in San Francisco. The Family must submit documentation that provides a current address of residency or employment and sign a waiver to permit the SFHA to verify the address.
5. Veterans status: A member of the United States Armed Forces honorable discharged from service or currently listed and is the head of house hold or spouse of the applicant family. Verification will be provided by the Veterans Administration.
6. Welfare to Work Participants in good standing with their obligations to the Welfare to Work Program.

5.2 ORDER OF SELECTION

The SFHA will rank and admit applicants from the waiting list in accordance with the following priority categories:

Level of Priority	Category One	Category Two	Category Three	Category Four
1	Local Preference	Resident	Veteran	Welfare to Work
2	Local Preference	Resident	Veteran	Non-Welfare to Work
3	Local Preference	Resident	Non-Veteran	Welfare to Work
4	Local Preference	Resident	Non-Veteran	Non-Welfare to Work
5	Local Preference	Non-Resident	Veteran	Welfare to Work
6	Local Preference	Non-Resident	Veteran	Non-Welfare to Work
7	Local Preference	Non-Resident	Non-Veteran	Welfare to Work
8	Local Preference	Non-Resident	Non-Veteran	Non-Welfare to Work
9	No Local Preference	Resident	Veteran	Welfare to Work
10	No Local Preference	Resident	Veteran	Non-Welfare to Work
11	No Local Preference	Resident	Non-Veteran	Welfare to Work
12	No Local Preference	Resident	Non-Veteran	Non-Welfare to Work
13	No Local Preference	Non-Resident	Veteran	Welfare to Work
14	No Local Preference	Non-Resident	Veteran	Non-Welfare to Work
15	No Local Preference	Non-Resident	Non-Veteran	Welfare to Work
16	No Local Preference	Non-Resident	Non-Veteran	Non-Welfare to Work

Units shall be filled in the order indicated above. Applicants at the top of the list will be notified of a vacancy and asked to participate in the PBV Program. If they refuse or do not respond, the next applicant is contacted, and so on. If at any time the waiting list does not contain a sufficient number of preference applications, the PBV referrals will be made to non-Local preference eligible applicants without regard to Preference Status.

Notwithstanding the selection process indicated above, in-place tenants of PBV units and families referred by owners of PBV units shall have priority to remain housed in their units at the end of the rehabilitation period or be referred to a vacant PBV unit for which no applicant has been referred by the SFHA within 60 days of the vacancy period.

Moreover, for units rehabilitated or constructed with HOPWA capital funding, the SFHA may skip down the wait list to offer PBV assistance to households on the Section 8 wait list who have a family member who has been diagnosed with disabling HIV or AIDS and interested in the PBV assistance.

5.3 PROCEDURES FOR REMOVING NAMES FROM THE WAITING LIST

The SFHA will not remove an applicant's name from the waiting list unless:

- A. The applicant requests that the name be removed;
- B. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program or misses **more than three** scheduled appointments; or
- C. The applicant does not meet either the eligibility or screening criteria for the program.

5.4 UPDATING OF THE WAITING LIST

In order to ensure the waiting list is accurate and current, the SFHA will update the waiting list periodically, but no more than annually, by requesting each household to submit a revised pre-application form. The following guidelines will govern update procedures:

- The SFHA will mail an update request letter and a blank pre-application form to each household on the waiting list.
- The request will be mailed to the applicant's last known address. Applicants will be advised in the eligibility letter of their responsibility to notify the SFHA, in writing, of any address changes. If the applicant fails to notify the SFHA of an address change, the SFHA accepts no responsibility for the applicant's failure to receive the update request.
- The update request letter will include a deadline date by which applicants must return the pre-application and will specify return by mail or in person. The letter will inform the applicant that if the SFHA fails to receive the updated pre-application form by the deadline date, the applicant's name will be removed from the waiting list.
- Applicants will be given a reasonable time to complete and return the updated pre-applications, generally not less than 14 calendar days.

- The SFHA accepts no responsibility for delays created by the United States Postal Service.
- The SFHA will make reasonable accommodations for the special needs of disabled applicants if the SFHA has been made aware of those needs.
- The SFHA will acknowledge all updated pre-applications received, in writing, to each applicant which will include a determination of eligibility, ineligibility or change in preference status.

5.5 REFUSAL TO LIST AN APPLICANT OR REMOVAL OF AN APPLICANT FOR SPECIFIC GROUNDS

The SFHA may deny listing an applicant on the waiting list, remove an applicant from the waiting list, deny or withdraw an offer of housing to an applicant pursuant to section 5.7 of the Section 8 Administrative Plan.

5.6 GROUNDS FOR DENIAL

The SFHA may deny assistance to applicants who:

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

involving the illegal manufacture, sale, distribution, or possession with the intent to manufacture, sell, distribute a controlled substance as defined in Section 102 of the Controlled Substances Act, 21 U.S.C. 802;

- J. Have a family member who is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The SFHA may waive this requirement if:
 - 1. The person demonstrates to the SFHA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
 - 2. The person has successfully completed a supervised drug or alcohol rehabilitation program;
 - 3. The person has otherwise been rehabilitated successfully as determined by the SFHA based on evidentiary supporting material; or
 - 4. The person is participating in a supervised drug or alcohol rehabilitation program.
- K. Have engaged in or threatened abusive or violent behavior towards any SFHA staff or residents;
- L. Have a family household member who has been terminated under the Certificate or Voucher Program during the last three years;
- M. Have a family member who has been convicted of manufacturing or producing methamphetamine (speed) (Denied for life);
- N. Have a family member with a lifetime registration under a State sex offender registration program (Denied for life).

5.7 INFORMAL REVIEW

If the SFHA determines that an applicant does not meet the criteria for receiving Section 8 assistance, the SFHA will promptly provide the applicant with written notice of the determination. The notice must contain a brief statement of the reason(s) for the decision, and state that the applicant may request an informal review of the decision within 10 business days of the denial. The SFHA will describe how to obtain the informal review. The informal review process as described in section 16.2 of the Section 8 Administrative Plan applies.

6.0 OCCUPANCY STANDARDS

The SFHA will follow an occupancy policy, which prevents overcrowding of units or under utilization of units. The following guidelines shall determine the minimum and maximum number of occupancy per unit size:

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
0	1	2
1	1	4
2	2	6
3	3	8
4	4	10

Bedroom size will also be determined using the following guidelines:

- A. Children of the same sex will share a bedroom.
- B. Children of the opposite sex, both under the age of (3) will share a bedroom.
- C. Adults and children will not be required to share a bedroom.
- D. Foster-adults and children will be required to share a bedroom with family members.
- E. Live-in aides will get a separate bedroom.

The SFHA will grant exceptions to normal occupancy standards when a family requests a larger size than the guidelines allow and documents a medical reason why the larger size is necessary.

6.1 BRIEFING

When the SFHA selects a family from the waiting list, the family will be invited to attend a briefing explaining how the program works. In order to be certified the family is required to attend the briefing. If they cannot attend the originally scheduled briefing, they may attend a later session. Failure to attend a briefing without good cause may result

in denied admission. The family will be given an opportunity to reschedule a briefing only once. All briefings will be conducted in accordance with Section 6.1 and 6.2 of the Section 8 Administrative Plan.

In addition, PBV participants shall be apprised of the likelihood that they will be issued a tenant-based Voucher after the HAP Contract expires.

6.2 *Selection From Waiting List*

Once an owner has contacted the SFHA and informed them of the availability of a unit, the SFHA shall refer an appropriate number of tenants to the owner for suitability screening. The owner shall notify in writing the tenants and the SFHA regarding the refusal of any referred tenants. If additional referrals are needed, the SFHA shall refer additional applicants until the appropriate number of tenants have been accepted by the owner.

Accepted tenants shall be referred to the SFHA for Eligibility determination.

6.3 *FAMILY CERTIFICATION*

Once all family information has been verified, their eligibility determined, their subsidy calculated, and they have attended the family briefing, the SFHA will issue the PBV Statement of Family Responsibility that authorizes the family to participate in the PBV Program.

The owner shall complete a Request For Tenancy Approval and submit it to the SFHA. An inspection of the unit shall be conducted pursuant to HQS in 24 CFR 982.401.

6.4 *APPROVAL TO LEASE A UNIT*

The SFHA will approve a lease if all of the following conditions are met:

- A. The unit is eligible;
- B. The unit is inspected by the Housing Authority and passes HQS;
- C. The rent to owner is reasonable;
- D. The owner has not been found to be debarred, suspended, or subject to a limited denial of participation by HUD or the Housing Authority; and
- E. The family continues to meet all eligibility and screening criteria.

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

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

- A. The unit passes the Housing Authority HQS inspection;
- B. The landlord and tenant sign the lease;
- C. The Housing Authority approves the leasing of the unit.

6.5 SFHA DISAPPROVAL OF OWNER

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

- A. The owner has violated any obligations under a Section 8 PBV Housing Assistance Payments Contract;
- B. The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
- G. The owner has engaged in drug-related criminal activity or any violent criminal activity;
- H. The owner has a history or practice of non-compliance with HQS for units leased under Section 8 or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program;
- I. The owner refuses (or has a history of refusing) to evict families for drug-related or violent criminal activity, or for activity that threatens the health, safety or right of peaceful enjoyment of the:
 - 3. premises by tenants, SFHA employees or owner employees; or
 - 4. residences by neighbors;
- J. Other conflicts of interest under Federal, State, or local law.

6.6 INELIGIBLE/ELIGIBLE HOUSING

The following types of housing cannot be assisted under the Section 8 Project-Based Program:

- A. Housing for which construction or rehabilitation has commenced prior to Agreement execution; This Provision does not apply to Existing Housing Projects.
- B. Shared Housing;
- C. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
- D. Housing located in the Coastal Barrier Resources System designated under the Coastal Barrier Resources Act;
- E. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
- F. With noted exceptions in 24 CFR 983.7 (6) (i), (ii), Housing located in an area that has been identified by the FEMA as having special flood hazards.
- G. A Public Housing unit.

6.7 SECURITY DEPOSIT

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

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

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

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

7.0 MOVES FROM ASSISTED UNITS

Participating families may not move from an assisted unit with their housing assistance during the initial term of the lease (twelve months). The assistance is tied to the unit and cannot be transported with the tenant. The PHA must issue any eligible family wishing to move with continued assistance a Section 8 Voucher from its tenant-based Voucher Program or other form of assistance that is comparable to the Voucher Program as defined by HUD. If such assistance is not available, the family shall be given priority for the next available unrestricted tenant-based Voucher.

7.1 WHEN A FAMILY MAY MOVE

A family participating in the PBV Program may only move from the assisted unit if:

- C. The owner has given the tenant a notice to vacate, has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the tenant; or
- D. The tenant has given notice of lease termination (in accordance with lease agreement) to the owner and SFHA.
- E. Unit is overcrowded or under-occupied. In accordance with 24 CFR 983.206, family may not be forced to move unless they reject an alternative offer of housing.
- F. After living in the PBV unit for twelve months.

8.0 DETERMINATION OF FAMILY INCOME

8.1 INCOME, EXCLUSIONS FROM INCOME, DEDUCTIONS FROM INCOME

Family income inclusions, deductions and exclusions as stipulated in Section 9 of the Section 8 Administrative Plan apply to the Section 8 PBV Program

9.0 RENT AND HOUSING ASSISTANCE PAYMENT

9.1 GENERAL

Rents for PBV assisted units must be established by contracting with a State Certified Appraiser to establish reasonable rents for the units pursuant to 24 CFR 983.12. In no circumstance can initial rents exceed 110% of the established Fair Market Rent or HUD approved Exception Payment Standard.

9.2 RENT REASONABLENESS

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

- A. Before any increase in rent to owner is approved;
- B. If the Housing Authority or HUD directs that reasonableness be re-determined.

9.3 MAXIMUM SUBSIDY

110 Percent of the established Fair Market Rent (FMR) published by HUD or the exception payment standard rent (requested by the SFHA and approved by HUD) determines the maximum subsidy for a family.

For a regular tenancy under the PBV Program, the FMR/exception rent limit is the maximum initial gross rent under the assisted lease.

9.4 UTILITY ALLOWANCE

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

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

The Housing Authority reviews the utility allowance schedule annually and revises any allowance for a utility category if there has been a change of 10% or more in the utility rate since the last time the utility allowance schedule was revised. The Housing Authority maintains information supporting the annual review of utility allowances and any revisions made in its utility allowance schedule. Participants may review this information at any time by making an appointment with the Section 8 Department.

The Housing Authority uses the appropriate utility allowance for the size of dwelling unit actually leased by the family (rather than the family unit size as determined under the Housing Authority subsidy standards).

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

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

The utility allowance will be subtracted from the family's share to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to the owner. The amount of the utility allowance is then still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belong to the tenant.

9.5 *DISTRIBUTION OF HOUSING ASSISTANCE PAYMENT*

The Housing Authority pays the owner the lesser of the housing assistance payment or the rent to owner. If payments are not made when due, the owner may charge the SFHA a late payment, agreed to in the Contract and in accordance with generally accepted practices in the City and County of San Francisco jurisdiction.

9.6 *CHANGE OF OWNERSHIP*

All changes in ownership for PBV units must comply with the provisions set forth in the Housing Assistance Payment Contract.

10.0 Inspection Policies, Housing Quality Standards, and Damage Claims

The SFHA will inspect all units to ensure that they meet Housing Quality Standards (HQS). No unit will be initially placed on the Section 8 Existing Program unless the HQS are met. Units will be inspected at least annually, and at other times as needed, to determine if the units meet HQS. At the HA's discretion, a sample of units for a particular project representing a minimum of 10 % and a maximum of 25% may be substituted for the annual inspection requirements under the PBV Program.

The SFHA must be allowed to inspect the dwelling unit at reasonable times with reasonable notice. The family and owner will be notified of the inspection appointment by first class mail. If the family can not be at home for the scheduled inspection appointment, the family must call and reschedule the inspection or make arrangements to enable the Housing Authority to enter the unit and complete the inspection.

If the family misses the scheduled inspection and fails to reschedule the inspection, the SFHA will only schedule one more inspection. If the family misses two inspections, the SFHA will consider the family to have violated a Family Obligation and their assistance

will be terminated. Inspections standards outlined in Section 12 of the Section 8 Administrative Plan and 24 CFR 982.401 apply to the PBV Program.

10.1 VACANCY LOSS

The SFHA shall continue to provide assistance for a unit that becomes vacant for up to a maximum of 60 days after the unit becomes vacant. Such payments may only be made if the vacancy is not the fault of the owner, and the owner and the SFHA take “every reasonable action” to minimize the likelihood and extent of the vacancy.

If no eligible family rents a vacant unit within 120 days after the vacancy commenced, the SFHA may terminate its commitment to make any additional HAPs for the unit for the balance of the HAP Contract term.

11.0 RECERTIFICATION

11.1 ANNUAL RE-EXAMINATION

Annual and Interim Re-Examination policies will mirror that of the Existing Section 8 Program Administrative Plan.

12.0 TERMINATION OF ASSISTANCE TO THE FAMILY BY THE SFHA

Grounds for Termination of Assistance policy will mirror that of the Existing Section 8 Program Administrative Plan.

13.0 COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, AND INFORMAL HEARINGS FOR PARTICIPANTS

COMPLAINTS AND REVIEWS

Informal reviews and hearings shall be conducted pursuant to the Section 8 Administrative Plan

14.0 TERMINATION OF THE LEASE AND CONTRACT

The term of the lease is independent of the term of the HAP contract for the PBV Program. The lease may be terminated by the owner, by the tenant, or by the mutual agreement of both. The owner may only terminate the contract at the expiration of the term by refusing an offer of renewal of the HAP Contract. The HAP contract may be

terminated by the SFHA. Under some circumstances the contract automatically terminates.

All other termination guidelines will mirror that of the Existing Section 8 Program Administrative Plan.

15.0 SFHA OWNED HOUSING

Units owned by the SFHA and not receiving subsidy under any other program are eligible housing units for the PBV Program. In order to comply with federal regulation, the SFHA will be required to request that the Regional HUD office conduct the provisions set for in sections 2, 3.2, 7.5, 10.1, 10.2, 10.4, 10.5, 11, 14 and 15 of the PBV Administrative Plan.

16.0 MISCELLANEOUS

16.1 ASSISTING FAMILIES EXPERIENCING ILLEGAL DISCRIMINATION

It is the policy of the SFHA to comply fully with all federal, state and local anti-discrimination laws. The SFHA will not discriminate against any individual or family because of race, color, creed, national or ethnic origin or ancestry, religion, sex, sexual preference, age, disability, handicap, military status, source of income, marital status, presence of children in a household, or because an individual has or is suspected of having Acquired Immune Deficiency Syndrome (AIDS).

During briefing sessions, families are provided with a HUD brochure, Fair Housing- It's Your Right, and a form HUD-903, Housing Discrimination Complaint. If an applicant or participation requests assistance, the SFHA will provide help in completing this form and forwarded it to the California State HUD Office of Fair Housing and Equal Opportunity.

For complaints involving state and local laws, the SFHA will refer the applicant or participant to the appropriate state or city offices. If available, the SFHA will provide forms for filing discrimination complaints to state or city offices.

16.2 FAMILY BREAK-UPS

In the event of a family break-up by divorce or legal separation, the family shall decide who remains in the assisted unit. No further subsidy shall be provided to the departing spouse. In the event that the SFHA must determine which of the family members will continue to receive the Section 8 PBV assistance, the SFHA determination will be made based on the following priorities:

7. Mutual agreement of the family members. All adult family members must sign a mutual agreement form

8. A court stipulated determination of which household retains the assistance
9. The interest of minor children or of ill, elderly or disabled family members
10. The interest of family members who are victims of actual or threatened physical violence directed against a family member by a spouse or other member of the applicant household. Certification from the local police department, a social service agency, court of proper jurisdiction, or clergy, physician or facility that provides shelter or counseling to the victims of domestic violence will be required to verify the domestic violence
11. The continued use of the assistance in the current unit
12. Head-of-household.

The family must notify the SFHA, in writing, within 14 days of the action causing the break-up and request a determination of the assignment of the assistance. The SFHA may schedule a meeting with the family members to discuss the assignment.

16.3 JOINT CUSTODY OF CHILDREN

Children who are subject to a joint custody agreement but live with one parent at least 51% of the time will be considered members of the household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively.

When both parents are on the Waiting List and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent.

17.0 REPAYMENT AGREEMENTS

Section 8 PBV participants may incur debts to the SFHA as a result of failure to accurately report income and family composition, for charges due under the lease that are paid by the SFHA and, under the certificate program, payments for units vacated in violation of the lease. Section 8 landlords may also incur a liability as a result of overpayment of HAP. The SFHA may, at its sole discretion, initiate a termination action, require repayment in a lump sum or allow the debtor to execute a promissory note to repay the debt over a period of time. The SFHA will take into consideration the amounts owed and the likelihood that the debtor will repay the debt before approving a repayment plan.

The Repayment Agreement policies will mirror that of the Existing Section 8 Program Administrative Plan.

San Francisco Housing Authority

Section 8 Housing Department



Chapter Four

Administrative Plan

Section 8 Project-Based Voucher Program

Final Rule

SECTION 8 PBV ADMINISTRATIVE PLAN – FINAL RULE

1.0 EQUAL OPPORTUNITY

1.1 FAIR HOUSING

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

No person shall, on the ground of race, color, sex, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the SFHA housing programs.

To further its commitment to full compliance with applicable Civil Rights laws, the SFHA will provide Federal/State/local information to applicants for and participants in the Section 8 Project-Based Voucher (PBV) Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at the SFHA office. In addition, all written information and advertisements will contain the appropriate Equal Opportunity language and logo.

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

1.2 REASONABLE ACCOMODATION

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

SFHA policies for implementation of reasonable accommodations as outlined in Section 1.3 and 1.4 of the Section 8 Program Administrative Plan apply to the PBV Program.

1.3 SERVICES FOR NON-ENGLISH SPEAKING APPLICANTS AND PARTICIPANTS

The SFHA will endeavor to have bilingual staff or access to people who speak languages other than English to assist non-English speaking families. The following languages may be accommodated:

- Spanish
- Chinese
- Samoan
- Russian
- Vietnamese

1.4 FAMILY OUTREACH

The SFHA will publicize the availability and nature of the Section 8 PBV Program for extremely low-income, very low and low-income families in a newspaper of general circulation, minority media, newspaper serving other ethnic populations including non-English publications and by other suitable means. The SFHA will also try to utilize public service announcements.

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

1.5 PROJECT-BASED VOUCHER PROGRAM LIMIT

The PBV Program cannot exceed 20 percent of the total budget authority under the SFHA's Housing Choice Voucher Program.

1.6 CONSISTENCY WITH THE PHA PLAN

The PBV shall be consistent with the goals and objectives of the SFHA Annual Plan. Each Plan shall have a statement of the number of PBV units, general locations and how Project-Basing units will be consistent with the SFHA Plan.

1.7 RIGHT TO PRIVACY

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

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

In accordance with State and Federal Constitutional protections, the SFHA will respect the privacy of information relating to applicants, participants, and tenants in SFHA programs. Accordingly, personal information is deemed private and confidential and will be released only by authorization of the SFHA PBV Administrator and written consent of the affected party or by court subpoena.

It is important to note that the privacy policy is applicable to the release of participant information and not the gathering and use of information necessary to ensure eligibility and compliance with program regulations. Except, as required by federal regulations, solicited by the SFHA unless directly attributed to carrying out the responsibilities of the agency.

1.8 *REQUIRED POSTINGS*

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

- A. The Section 8 PBV Administrative Plan
- B. Notice of the status of the waiting list (opened or closed)
- C. Address of all SFHA offices, office hours, telephone numbers, TDD numbers, and hours of operation
- D. Income Limits for Admission
- E. Informal Review and Informal Hearing Procedures
- F. Fair Housing Poster
- H. Equal Opportunity in Employment Poster

1.9 *Definitions*

New Construction/Rehabilitation - Units needing at least \$3000 in construction costs to meet Housing Quality Standards in order to participate in the PBV Program

Existing Housing -. Housing units that already exist on the proposal selection date and that substantially comply with the HQS on that date. All units must fully comply with the HQS before HAP execution. For purposes of clarification, “substantially comply” is defined to mean that there is at least a Temporary Certificate of Occupancy issued for

Newly Constructed Properties or less than \$3000 in repairs necessary to meet HQS in rehabilitated properties.

Twenty-Five Percent Maximum – No more than 25 % of the units in any PBV project may receive assistance excepted as noted below.

- Single family dwellings (four or fewer units)
- Dwellings specifically designated for elderly
- Dwellings specifically designated for disabled families (as defined by HUD in 24 CFR 5.403 (b).
- Families receiving supportive services as defined below.

Supportive Services

In order to exceed the 25 % threshold for assisted units in any building, the owner must provide support services to the families in occupancy of the “Excepted Units” and the eligible family must maintain their participation in the services to retain their assistance in the excepted unit unless they successfully complete the services program. Units occupied by Elderly or disabled households are not considered to be Excepted Units and mandatory services are not applicable. The services can either be provided on site or utilized on a referral basis through services staff on site. Participating owners must provide a minimum of three qualifying services to meet the requirement to exceed the 25 % threshold. Eligible services can include:

- Substance Abuse Counseling
- Clinical Services for Non-Disabled Participants
 - Non-Disabled Mental Health Services
 - Non-Disabled Behavioral Support Services
 - Linkages to Medical Providers for Non-Disabled Tenants
- Self –Sufficiency Counseling
 - Job Training/Career Counseling
 - Money Management Counseling
 - Youth Services – Child Care, After School Programs
 - Housing Retention
- Section 8 FSS Participation

NOTE: Clinical Services, except for drug and alcohol treatment, cannot be used to meet the minimum required services for Excepted Units.

Monitoring

All services will be monitored annually at the HAP anniversary. Each family will be required to certify that they are maintaining their participation in their services program at the time of the family’s annual re-examination. Participation in services will be verified using third party procedures of verification. In addition, the owner must certify

annually that it continues to provide a supportive services program. The owner must also notify the SFHA immediately once a family is no longer in compliance with their services obligation.

1.10 Inclusionary Clause

Notwithstanding the contents of this PBV Administrative Plan, for all areas not specifically addressed by this plan the Section 8 Administrative Plan shall govern as a supplement to Part 983 of 24 CFR.

2.0 UNIT SELECTION CRITERIA

2.1 INVITATION FOR PROPOSAL

Invitations for proposals to participate in the Project-Based Voucher (PBV) Program will be advertised in a newspaper of general circulation and other ethnic newspapers in the San Francisco Community once a week for two consecutive weeks. The San Francisco Housing Authority (SFHA) will accept applications for at least thirty (30) days from the last day of said publication. The advertising will be in the following newspapers:

1. San Francisco Chronicle/Examiner
2. The Sun Reporter
3. Ethnic newspapers published in Chinese, Spanish, Vietnamese and Russian.

The advertisement will state the number of units available for the Project-Based Program and whether the competition is for rehabilitation, new construction or existing units. In addition, the advertisement shall summarize the unit selection policy for the units to be assisted. However, the unit selection criteria will not be included in the advertisement but in the Request For Proposals. Availability of units under the Existing Housing option may be advertised in separate advertisements.

2.2 SFHA SELECTION PROCESS:

For the rehabilitation aspect of the program, the (SFHA) has a preference for projects in non-impacted areas or areas targeted by the City of San Francisco to be revitalized and provide more rehabilitation spending per unit than the minimum \$3,000.00 per unit. This preference does not apply to new construction projects. Ranking criteria will be outlined in the advertisement announcing the availability of PBV units. The SFHA is looking for owners with experience in construction or rehabilitation and property management that are also able to demonstrate a solid financial commitment for the project and offer a partnership with supportive services. Moreover, units will be expected to meet and/or exceed accessibility standards for the disabled.

Non-Competitive Selection Criteria

Selection of a proposal can be made for housing assisted under a federal, state, or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals (*e.g.*, HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance. In these cases, assistance can be awarded non-competitively and posted for Public Notification.

Non-Competitive proposals can be presented to the SFHA at anytime. Owners are not required to wait until an Invitation For Proposals is published to present a proposal for consideration under the guidelines of non-competitive selection. However, the SFHA must publish the award of any units under the PBV Program in a newspaper of general circulation. Every effort will be made to publish the results of any awards under the PBV Program within 30 days of the award date.

2.3 RECEIVING AND SCREENING PROPOSALS

When Project-Based proposals are received, the date of receipt will be marked on each proposal and a proposal number assigned to it. Essential information will be logged on the appropriate control log, and a file folder will be established for each proposal. Clearly ineligible proposals will be rejected at this point.

If more proposals are received than can possibly be funded, a priority system for processing the remaining proposals will be established. Proposals that are unable to be assisted at the time of project selection will be rejected and will have to re-apply during future outreach.

Two types of criteria will be used to place proposals in the appropriate category. They are Requirements and Rankings. If a proposal fails to meet a requirement, it is clearly ineligible and will be rejected. A system of rankings will be used to determine which proposals will be processed immediately. Projects scoring the highest number of points in the ranking process shall be given priority for consideration. All projects selected must score at least 60 % of the total attainable points in order to be selected for participation in the PBV Program.

2.4 REQUIREMENTS

If the following requirements are not met, proposals will be rejected:

- a) The project under consideration must meet HUD goals for deconcentration of poverty in determining areas in which to place subsidized units pursuant to 24 CFR 983.57. Moreover, zones designated for economic improvement and redevelopment by the City and County of San Francisco shall be deemed eligible sites for PBV activity.
- b) Generally, no more than 25 percent of the dwelling units in each building may have project-based voucher or any other federal project-based housing assistance. The following types of housing units are exempt from the 25 percent per building cap:
 - (1) Project-based dwelling units in single family (one-to four-unit) properties;
 - (2) units in a multifamily building (5 or more units) set aside for elderly or disabled families; and
 - (3) units in a multifamily building set aside for families participating in support services programs supplied by the owner on site or on a referral basis as specified in Section 1.9 above.

The restrictions concerning the number of subsidized units in each building apply to all types of housing selected for the project-based voucher program—existing, newly constructed, and rehabilitated housing.

- b) The proposed property must be eligible for the PBV Program. Single Room Occupancy (SRO) units are the only Special Housing Type permitted to be assisted under the PBV Program. The SFHA will consider Rehab, New Construction and Existing units for PBV assistance.

The following types of units are not eligible for participation in the program:

- Owner occupied units;
- Housing for which the construction/rehabilitation has started prior to Agreement execution; Except for Existing Housing Projects
- Manufactured homes;
- Shared Housing;
- Nursing homes and facilities providing continual psychiatric, medical, nursing services, board and care or intermediate care;
- Units within the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
- Housing located in the Coastal Barrier Resources System designated under the Coastal Barrier Resources Act;
- Housing located in an area that has been identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless:
 1. The community in which the area is situated is participating in the National Flood Insurance Program; or
 2. Less than a year has passed since FEMA notification regarding such hazards; and
 3. The HA will ensure that flood insurance on the structure is obtained in compliance with Section 102(a) of the Flood Disaster Protection Act of 1973
- College or other school dormitory
- Public Housing units owned by the SFHA;
- Units subsidized by any other Section 8 assistance (tenant-based or project-based);
- A unit subsidized with any State or local rent subsidy;
- A Section 236 project or a unit subsidized with Section 236 rental assistance payments
- A Rural Development Administration Section 515 project;
- A unit subsidized with rental assistance payments under section 521 of the Housing Act of 1949;
- Housing assisted under former Section 23 of the U.S. Housing Act of 1937 (before amendment by the HCD Act of 1974)
- A Section 221 (d)(3) project;

- A project with a Section 202 loan;
 - A Section 202 project for non-elderly persons with disabilities (Section 162 assistance);
 - Section 202 supportive housing;
 - Section 811 supportive housing;
 - Section 101 rent supplement projects;
 - Transitional Housing
 - A unit subsidized with tenant-based assistance under the HOME Program; or Any unit with other duplicative Federal, State or local housing subsidy, as determined by HUD. For this purpose, “housing subsidy” does not include welfare payments, a social security payment received by the family or a rent reduction because of a tax credit.
- c) Proposed contract rents must not exceed either 110% of the established Fair Market Rents as published by HUD in the Federal Register, or the HUD approved exception rents if applicable.
- d) Pursuant to the San Francisco Consolidated Plan and the SFHA PHA Plan, the goal of the PBV Program is to increase the number of affordable housing units in San Francisco utilizing PBV assistance to ensure affordability of housing for low income families. The proposed site must meet certain site and neighborhood standards specified in the Code of Federal Regulations, (24CFR 983.57). Although it will not be possible to determine compliance with all of the standards until an inspection is completed. .
- Generally the SFHA must determine whether the census tract in which the proposed PBV development will be located is (i) in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community; (ii) Whether a PBV development will be located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition; (iii) Whether the census tract in which the proposed PBV development will be located is undergoing significant revitalization; (iv) Whether state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement; (v) Whether new market rate units are being developed in the same census tract where the proposed PBV development will be located and the likelihood that such market rate units will positively impact the poverty rate in the area; (vi) If the poverty rate in the area where the proposed PBV development will be located is greater than 25 percent, the PHA should consider whether in the past five years there has been an overall decline in the poverty rate; (vii) Whether there are meaningful opportunities for educational and economic advancement in the census tract where the proposed PBV development will be located.

In addition, is the site suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d–2000d(4)) and HUD’s implementing regulations at 24 CFR part 1; Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601– 3629);

and HUD's implementing regulations at 24 CFR parts 100 through 199; Executive Order 11063 (27 FR 11527; 3 CFR, 1959-1963 Comp., p. 652) and HUD's implementing regulations at 24 CFR part 107. The site must meet the section 504 site selection requirements described in 24 CFR 8.4(b)(5).

The site must meet the HQS site standards at 24 CFR 982.401(1).

- a) Owners must provide a relocation plan regarding temporary Current occupants of units to be assisted must appear to be eligible for Section 8 assistance. Therefore, if the units to be assisted are occupied by over-income tenants, the proposal calls for a reduction in the total number of units in a fully occupied building, or if the families to be assisted are living in units which are not suitable to family size, the project generally will be rejected or partially assisted. (Rehabilitation and Existing Only) Relocation provisions for minimizing displacement do not apply to Existing Housing Projects.

The project must meet Uniform Relocation Act requirements as follows:

Temporary relocation will not exceed 12 months and every tenant will be given 30 days written notice regarding any relocation along with a copy of the approved relocation plan. Tenants must be provided with alternative housing which is safe, decent and sanitary and receive reimbursement from the owner for reasonable out-of-pocket expenses incurred in connection with the temporary relocation. Such expenses include moving costs to and from temporary housing, increases in monthly housing costs and increases in utility costs.

If the owner can demonstrate that permanent displacement can be prevented by allowing over-income tenants to remain in unassisted units or ineligible tenants to be housed in a suitably sized unit in the same building or complex, the proposal may still be accepted.

Any preliminary determination of a family's eligibility during the initial screening process will be based on unverified information provided in the owner's proposal.

- b) The owner must be able to certify that no tenant has been required to move during the past 12 months except for good cause. If the SFHA has documentation that tenants have been forced to move without good cause, the proposal will be rejected. "Good Cause" includes tenant non-compliance with the lease or failure to carry out tenant obligations under any state and local landlord-tenant law. This information should be submitted with the proposal. (Rehabilitation and Existing Only)

If the owner submitting the proposal has not owned the property for the last 12 months, this certification may be limited to owner's actions during ownership and with respect to acquiring the property.

- c) The owner must provide acceptable evidence of site control (a copy of the deed, purchase option, contract of sale or other documents acceptable to the SFHA as proof of ownership). The SFHA may reject a proposal if adequate evidence of site control is not provided.
- d) Owners must submit the proposed contract rent per unit, including an indication of which utilities, services and equipment are included in the rent, and which are not included. For those utilities that are not included in the rent, an estimate of the average monthly cost for each unit type for the first year of occupancy must be submitted. The SFHA may reject a proposal at the initial screening stage if the proposal appears clearly unfeasible because the current rents substantially exceed the Section 8 Existing Housing Payment Standard Rent Limits.

If the owner is willing to accept lower rents, the owner may appeal the proposal rejection.

- e) The owners must submit a completed HUD form No. 2530 - Previous Participation Certification and resumes for all principal participants.
- f) Housing to be assisted under the PBV Program must be modest in design. Amenities must be limited to those amenities, as determined by HUD, that are generally provided in unassisted, decent, safe and sanitary housing for lower income families in the market area. The use of more durable, high-quality materials to control or reduce maintenance, repair and replacement costs is not considered an excess amenity.
- g) Acceptable amenities are range/oven, refrigerator, disposal, vent fan, carpet/drapes, laundry (coin), underground garage, and solar heat/hot water.
- h) Before any property can be Contracted for PBV assistance, the SFHA must contract with the unit of general local government to complete and approve the environmental review required by 24 CFR part 58.
- i) All Contracted housing must meet applicable accessibility requirements as set forth in Section 504 of the Rehabilitation Act of 1973 in addition to any applicable State and local standards. Moreover, all units must meet the requirements of the Fair Housing Amendment Act of 1988 pursuant to 24 CFR 100.205.
- j) Properties assisted under the "Existing" PBV guidelines must conform to Section 302 of the Lead-Based Paint Poisoning Prevention Act by establishing procedures to eliminate as far as practicable the hazards of lead-based paint. This requirement does not apply to studio or single room occupancy units. All painted surfaces, interior and exterior, up to five feet from the floor or ground readily accessible to children under seven years of age must be free of chipping, peeling and loose paint.
- k) Projects seeking to rehabilitate existing structures require a minimum expenditure of \$3,000.00 per assisted unit, including the unit's prorated share of work to be

accomplished on common areas or systems. “Existing Housing” Projects must require less than \$3000.00 repairs per assisted unit including the unit’s prorated share of work to be accomplished on common areas or systems. There is no limit on the amount of expenditure for new construction projects.

- l) Owner must certify that they have not been debarred from participating in the Section 8 Project-Based Voucher Program or any other Federally Subsidy Program.

2.5 NEW CONSTRUCTION REQUIREMENTS

The owner must submit to the SFHA an architect’s certification that the working drawings, specifications and proposed construction comply with HUD minimum property standards, local codes and ordinances, and zoning requirements.

The site must not be located in an area of minority concentration, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area. All sites must be consistent with the requirements of 24 CFR 983.57 and this Administrative Plan.

2.6 ALL OWNER APPLICATIONS MUST CONTAIN:

- a) A description of the proposed housing, including the number of units by size, bedroom count, bathroom count, sketches of the proposed building, unit plans, listing of amenities and services, and estimated date of completion; Existing Housing Projects are excepted from provisions requiring constructions plans and drawings.
- b) Identification and description of the proposed site, site plan and neighborhood, and evidence of site control;
- c) Evidence that the proposed New Construction is permitted by current zoning ordinances or regulations or evidence to indicate that the needed re-zoning is likely and will not delay the project; Existing Housing Projects are not subject to this provision.
- d) A signed certification of the owner’s intention to comply with Title VI of the Civil Rights Act of 1966, Title VIII of the Civil Rights Act of 1968, E.O. 11063, E.O. 11246, Section 3 of the Housing and Urban Development Act of 1968 and all applicable Federal requirements listed in 24 CFR 983.11 including, but not limited to, the payment of not less than the prevailing wages in the locality pursuant to the Davis-Bacon Act to all laborers and mechanics employed in the construction or rehabilitation of the project; Existing Housing Projects are not subject to Federal Labor Standards.

- e) A statement from the owner certifying the number of persons, businesses, non-profit corporations occupying the property on the date of submission of the application; the number of persons displaced, temporarily relocated or moved permanently within the building complex; estimated cost of relocation payments and services; the funding source of relocation activities; and the name of the organization that will carry out the relocation activities. Existing Housing Projects are not subject to the provisions of Relocation.
- f) The identity of the owner, developer, builder, architect, management agent (and other participants), the names of officers and principal members, shareholders, investors and other parties having a substantial interest; the previous participation of each in HUD Programs on the prescribed HUD Form No. 2530 and a disclosure of any possible conflict of interest by any of these parties that would be a violation of the Agreement or the Contract; and information on the qualifications and experience of the principle participants;
- g) The owner's plan for managing and maintaining the units;
- h) Evidence of financing or lender interest and the proposed terms of financing;
- i) The proposed term of the Contract; and
- j) Such other information as the SFHA believes necessary.

2.7 INITIAL SCREENING CHECKLIST

The checklist is divided into two sections: Requirements and Rankings. A "No" answer to any of the questions in the Requirements section could result in automatic rejection. Rankings may be stated in absolutes (Yes or No Answers).

2.8 NOTIFYING OWNERS OF SCREENING RESULTS

Once proposals have been screened, owners will be notified about the results. Rejection letters will include the reason for the rejection and indicate the owner's right to appeal the rejection. The SFHA must also give prompt Public Notice of such selection. For purposes of announcing PBV awards, Public Notice shall be given in the form of posted notices in the SFHA main office at 440 Turk Street and at the Section 8 offices at 1815 Egbert Street and advertisement in a newspaper of general circulation.

The owner should understand that the proposal has not yet been approved for rehabilitation/construction, but only selected for processing. Owners must not begin the rehabilitation/construction or be cautious about entering into commitments for financing or contracts for rehabilitation/construction until the project has been approved.

A formal briefing of tenants will be conducted at a later date; however, tenants will need some basic information about the program and the status of the proposal before inspections of their units begin. The SFHA may participate in a meeting scheduled with the tenants to discuss the program.

The information collected during the inspection must be sufficient to (1) determine that site and neighborhood standards and other Federal requirements are met; (2) identify the rehabilitation/construction work that is required for units to meet standards or to repair or replace building systems and components in danger of failure; (3) identify other rehabilitation/construction work that the owner wishes to complete and additional energy conservation items that may be cost effective. The SFHA's Section 8 Existing Housing Inspection Form will serve as the guide for the PBV Program inspection format.

When the inspection is completed, the inspector and the owner should agree on the following:

- Deficiencies which must be corrected in order for the assisted unit(s) to meet Housing Quality Standards (HQS) or other Local Standards approved by HUD (including requiring weather stripping and caulking) and, in general terms, the extent of the work that will be done. All units must meet HQS standards prior to execution of the HAP Contract.
- Building systems or components in danger of failure that will be repaired or replaced and, in general terms, the extent of the work that will be done.
- Other rehabilitation/construction work that is eligible under the program, such as making the units accessible for the handicapped or completion of optional energy conservation work.
- Routine maintenance items which must be corrected at the owner's expense because they are not eligible work items.

Other property improvements the owner wishes to make which are not eligible work items under the PBV Program. Condition reports of eligible required work items will be prepared by the SFHA or its subcontractor. If during the initial inspection, the SFHA discovers that the proposal does not meet program requirements, the owner will be informed in writing of the reason(s) for the rejection and of the right to appeal.

2.9 RANKING AND SELECTION PROPOSALS

The items on the checklist have been listed in order of importance, with the greatest number of points awarded for factors which are most important and essential to project success.

The SFHA will score the project as a whole, taking into consideration a wide variety of factors that are not easily quantifiable. Generally, projects scoring the highest points for each category will receive the highest overall feasibility scores. However, the SFHA will be consistent as possible in awarding points. Screening of Existing Housing Projects will be conducted separately from New Construction/Rehabilitation Projects.

The SFHA will select projects it plans to approve and notify all owners of the results. Selection will be based on the results of the ranking; However, when applicable, the selection scoring may be adjusted somewhat to take into consideration the number and bedroom distribution of units approved in the allocation.

Tied scores shall be selected based on the date and time a proposal was received

Owners whose proposals have been selected will be informed in writing of the number of units that the SFHA has tentatively approved, and the owner advised to request all tenants of units proposed for assistance prepare preliminary applications so tenant eligibility can be determined.

Incomplete applications or applications that cannot be fully funded shall be rejected. Owners shall be advised that they may resubmit the application at a later date in response to a future advertisement. Applications which are deemed incomplete due to technical errors in the documentation, may be given an opportunity to correct the error and considered for the advertisement to which it responded initially.

For proposals in which the SFHA has an identity of interest, the SFHA will request that HUD select, score, rank eligible projects.

The preliminary selection notice will explain to the owner the next steps in processing the proposal, including:

- Obtaining a firm financial commitment
- Notifying tenants about the selection of the proposal for Section 8 project-based assistance and their relocation responsibilities and rights. The owner should inform the tenants that the SFHA will contact them to set up meetings to determine eligibility for the program and explain their rights and responsibilities under the program. A more detailed briefing will be provided by the SFHA when eligibility interviews are conducted.
- The selection of a rehabilitation/construction contractor is the sole responsibility of the owner; the SFHA will not assume any responsibility or liability for the performance of any contractor. Owner must be willing to certify that the selected contractor has not been debarred from participation in Federally Funded Programs.

- Filling vacancies with applicants from the SFHA waiting list prior to the execution of the HAP Contract.

2.9.1 Non-Competitive Selection

Notwithstanding the competitive selection procedures, selection of a proposal can be made for housing assisted under a federal, state, or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals (*e.g.*, HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program’s competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance. In these cases, assistance can be awarded non-competitively and posted for Public Notification.

Non-Competitive proposals can be presented to the SFHA at anytime. Owners are not required to wait until an Invitation For Proposals is published to present a proposal for consideration under the guidelines of non-competitive selection. However, the SFHA must publish the award of any units under the PBV Program in a newspaper of general circulation within 30 days of the award notice.

2.10 AHAP Requirements

1. Complete and Approved Application
2. Environmental Impact Review/Clearance
3. Subsidy Layering Review – Where applicable
4. Inspection of Units/Site prior to Start of Construction
5. HUD Release of Funds Authorization

Units which are occupied by ineligible tenants cannot be placed under Agreement or HAP Contract. The Agency will inspect each unit proposed for the PBV Program and identify any tenants that reside in said units.

A variety of problems may be encountered in determining family eligibility, including families who are not income eligible and otherwise eligible families whose units are too large or too small for their family composition. In addition, families selected for “excepted” units must meet the requirements set forth by the supportive services plan for the property.

2.11 Requirements For Completion of Construction

In order for units constructed or rehabilitated under the PBV program to be accepted for assistance, the owner must provide the SFHA with the following:

- Owner certification that the work has been completed in accordance with the HQS and all requirements of the Agreement; and
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.
- For New Construction and Substantial Rehab, a Certificate of Occupancy
- Architect's Certification that the work has been completed in accordance with the the HQS and all State, local and other Building Codes.

2.12 HAP contract amendments (to add or substitute contract units).

- At the discretion of the SFHA and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Prior to such substitution, the SFHA must inspect the proposed substitute unit and must determine the reasonable rent for such unit.
- At the discretion of the PHA, and provided that the total number of units in a building that will receive PBV assistance or other project-based assistance will not exceed 25 percent of the number of dwelling units (assisted or unassisted) in the building or the 20 percent of authorized budget authority as provided in Section 983.6, (Unless Excepted Units are already authorized in the project), a HAP contract may be amended during the three-year period immediately following the execution date of the HAP contract to add additional PBV contract units in the same building. An amendment to the HAP contract is subject to all PBV requirements (e.g., rents are reasonable), except that a new PBV request for proposals is not required. The anniversary and expiration dates of the HAP contract for the additional units must be the same as the anniversary and expiration dates of the HAP contract term for the PBV units originally placed under HAP contract.

3.0 SFHA /OWNER RESPONSIBILITY/ OBLIGATION OF THE FAMILY

This Section outlines the responsibilities and obligations of the SFHA, the Section 8 Owners/Landlords, and the participating families.

3.1 SFHA RESPONSIBILITIES

- A. The SFHA will comply with the consolidated ACC, the application, HUD regulations and other requirements, and the SFHA Section 8 PBV Administrative Plan.
- B. In administering the program, the SFHA must:
 - 1. Publish and disseminate information about the availability and nature of housing assistance under the program;
 - 2. Explain the program to owners and families;
 - 3. Encourage owners to make units available for leasing in the program, including owners of suitable units located outside areas of poverty or racial concentration;
 - 4. Affirmatively further fair housing goals and comply with equal opportunity requirements;
 - 5. Make efforts to help disabled persons secure satisfactory housing;
 - 6. Receive applications from families, determine eligibility, maintain the waiting list, select applicants, certify each selected family, and provide housing information to families selected;
 - 7. Determine who can live in the assisted unit at admission and during the family's participation in the program;
 - 8. Obtain and verify evidence of citizenship and eligible immigration status in accordance with 24 CFR part 5 and as outlined in Section 3.2 C of the Section 8 Administrative Plan
 - 9. Inspect the unit before the assisted occupancy begins and at least annually during the assisted tenancy or as deemed appropriate by 24 CFR Part 983;
 - 10. Determine the amount of the Family Rent Portion and Housing Assistance Payment;

11. Determine the maximum rent to the owner and whether the rent is reasonable;
12. Make timely housing assistance payments to an owner in accordance with the HAP contract;
13. Examine family income, size, composition at admission, and annually during the family's participation in the program. The examination includes verification of income and other family information;
14. Establish and adjust SFHA utility allowance;
15. Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action as determined by the SFHA, if the owner defaults (e.g., HQS violation);
16. Determine whether to terminate assistance to a participant family for violation of family obligations;
17. Conduct informal reviews of certain SFHA decisions concerning applicants for participation in the program;
18. Conduct informal hearings on certain SFHA decisions concerning participant families;
19. Provide sound financial management of the program;

3.2 OWNER RESPONSIBILITY

- A. The owner is responsible for performing all of the owner's obligations under the Agreement (New Construction and Rehabilitation Only), HAP contract and the lease.
- B. The owner is responsible for:
 1. Performing all management and rental functions for the assisted unit, including selecting a tenant from the Section 8 waiting list to lease the unit, and deciding if the family is suitable for tenancy of the unit.
 2. Renting eligible units solely to eligible PBV families;
 3. Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
 4. Complying with equal opportunity requirements.

5. Preparing and furnishing to the SFHA information required under the HAP contract;
 6. Collecting from the family:
 - a. Any security deposit required under the lease.
 - b. The tenant contribution (the part of rent to owner not covered by the housing assistance payment.
 - d. Any charges for unit damage by the family.
 7. Enforcing tenant obligations under the lease.
 8. Paying for utilities and services (unless paid by the family under the lease.)
 9. For Excepted Units, notify the PHA when/if qualifying families are non-compliant with their Service Agreement.
- C. For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities see 24 CFR 100.203.

3.3 OBLIGATIONS OF THE PARTICIPANT

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

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

The family is responsible for any HQS breach caused by the family or its guests.

C. Allowing SFHA Inspection

The family must allow the SFHA to inspect the unit at reasonable times and after at least 24 hours notice.

Moreover, the family must grant the owner access to the unit, with reasonable notice (24 Hours), to complete repairs required by the SFHA. If the family fails to grant the owner timely access to the unit, the SFHA may terminate the family subsidy.

D. Violation of Lease

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

E. Family Notice of Move or Lease Termination

The family must provide the owner at least 30 day's notice in writing, with copy to SFHA before the family moves out.

If a family gives notice to move and has been in residence for at least 12 months , the SFHA will offer continued assistance in the form of a tenant-based voucher. If a voucher is not available, the PBV family will be given priority for the next available voucher in the order requested by other PBV families seeking continued assistance form a PBV unit.

For PBV families who are required to move due to a wrong sized unit or occupancy of a unit with accessibility features that a disabled family requires, the PHA may offer the family another appropriately sized PBV unit or a Housing Choice Voucher when available.

F. Owner Eviction Notice

The family must promptly give the SFHA a copy of any owner eviction notice it receives.

G. Use and Occupancy of the Unit

1. The family must use the assisted unit for a residence by the family. The unit must be the family's only residence.
2. Prior to the SFHA approval of the composition of the assisted family residing in the unit, the owner must first authorize the addition of any household member. The SFHA will send the owner the appropriate form for the owner to sign. The SFHA must approve the composition of the

assisted family residing in the unit. The family must promptly inform the SFHA of the birth, adoption or court-awarded custody of a child. The family must request approval from the SFHA to add any other family member as an occupant of the unit. No other person (i.e., no one but members of the assisted family) may reside in the unit (except for a foster child/foster adult or live-in aide as provided in paragraph (4) of this Section).

3. The family must promptly notify the SFHA if any family member no longer resides in the unit.
4. If the SFHA has given approval, a foster child/foster adult or a live-in aide may reside in the unit.
5. Members of the household may engage in legal profit making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family. Any business uses of the unit must comply with zoning requirements and the affected household member must obtain all appropriate licenses.
6. The family must not sublease the unit.
7. The family must not assign the lease or transfer the unit.
8. For Excepted Units, the family must be in compliance with their Service Agreement at all times.

H. Absence from the Unit

The family must supply any information or certification requested by the SFHA to verify that the family is living in the unit, or relating to family absence from the unit, including any SFHA requested information or certification on the purposes of family absences. The family must cooperate with the SFHA for this purpose. The family must promptly notify the SFHA of its absence from the unit.

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

Authorized absences may include, but are not limited to:

1. Prolonged hospitalization

2. Absences beyond the control of the family (i.e., death in the family, other family member illness)

3. Other absences that are deemed necessary by the SFHA

I. Interest in the Unit

The family may not own or have any interest in the unit.

J. Fraud and Other Program Violation

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

K. Crime by Family Members

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

L. Other Housing Assistance

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

M. Live-In Aid

Anyone included in a household as a live-in Aid, may not be subsequently added to the household as a family member receiving assistance.

4.0 ELIGIBILITY FOR ADMISSION

4.1 INTRODUCTION

There are six eligibility requirements for admission to Section 8 PBV Programs – must qualify as a family, must have an income within the income limits, must meet citizenship/eligible immigrant criteria, must provide documentation to verify you have Social Security Numbers for all household members, meet SFHA requirements surrounding the prohibition of drug or violent criminal activity, and sign consent authorization documents. In addition to the eligibility criteria, families must also meet the SFHA screening criteria in order to be admitted to the Section 8 PBV Program.

Families must be eligible as a “Qualifying Family” to be eligible for “Excepted Units”. A family is qualified to live in an excepted unit if, in addition to all PBV requirements, the family enrolls in and maintains enrollment in a Service Agreement.

For the purposes of determining eligibility for the Section 8 PBV Program, Section 3.2 of the Section 8 Administrative Plan shall apply.

5.0 ADMINISTRATION OF WAITING LIST

5.1 OPENING THE WAITING LIST

The Project-Based Program waiting list shall be the same as the waiting list for the Existing Section 8 Program. All applicants assisted under the PBV Program must come from the Section 8 wait list. In addition, pursuant to 24 CFR 983.203 (b), in-place tenants, that are eligible for participation, in units selected for assistance under the PBV Program, must be added to the Section 8 Wait List and be given an absolute preference to be assigned a PBV unit in their assisted property.

Other applications for the Section 8 PBV Program may be made pursuant to any stated format in advertisements published pursuant to section 5.2 below.

The SFHA will accept applications for placement on the waiting list at which time the applicant will self-declare their eligibility based on the eligibility requirements noted in the published announcement of the opening of the waiting list. Just prior to Certification, applicants will be required to complete an application for final eligibility determination whereby the SFHA staff will verify all income, assets and the preferences declared by the applicant during the pre-application stage.

Pre-applications will be accepted during the advertised periods of enrollment. These enrollment periods are determined based upon the need for the SFHA to augment its Section 8 waiting list so that the SFHA will have a sufficient number of applicants to maintain an adequate level of occupancy.

5.2 APPLICATION PROCESS

The SFHA will take pre-applications pursuant to a public advertisement. Pre-application intake will be announced to the public in advertisements run once a week for three consecutive weeks. Advertisements will be placed in the following:

- San Francisco Chronicle/Examiner
- Minority-owned and foreign language newspapers
- Posting in the lobby of the SFHA office at 440 Turk Street and the Leased Housing Division office.
- Posting in offices of the Public Housing developments of the SFHA
- Radio and television stations (if possible) in order to inform the visually impaired
- Notices circulated for posting at social service agencies, community centers and Bay Area Public Housing Agencies.

The advertisement will inform interested parties of the pre-application system to be used by the SFHA; the dates, times and locations pre-applications can be obtained; the deadline date, method and location for submitting the pre-applications and basic eligibility requirements.

5.3 RANKING METHOD

Pre-applications will be selected from the total applicant pool and assigned a date and time by random lottery and ranked on the waiting list by preference category. The pre-application will ask applicants to designate which priority category they believe they will qualify for. Pre-applications will be sorted in each preference category by date and time of application and a list generated in rank order.

Each applicant will be provided with a description of all SFHA preferences and will be required to self-certify, at the time of pre-application, whether the household qualifies for a preference. Selection from the Section 8 waiting list will be based on pre-applicant self-certification. At the time of final eligibility determination, SFHA applicants will be required to certify to all information they provide to SFHA and to sign verification forms permitting the release of information from verifying agencies, including the Authorization to Release Information/Privacy Act Notice form which is a general release form. Documentation of all verifications will be placed in the applicant/participant file.

Family income and assets and all factors related to eligibility must be verified, including preferences and immigration eligibility. Verifications must be completed before an applicant will be Certified for participation in the PBV Program except as provided by Section 214 of the Housing and Community Development Act of 1980 regarding verification of Immigration Status. SFHA will use third party verification whenever possible. This will include mailing forms directly to the third party and having them mailed back to SFHA. If third party written verification is not possible, SFHA will review documents brought in by applicants/current participants or obtain oral verification with the third party by phone, documenting name, department, position, date of verification and other pertinent information. If there are no documents, SFHA may use a notarized applicant certification for verification.

If the priority category changes for any reason, the applicant will be placed in the proper preference category sorted by application date and time.

5.4 CLOSING OF THE WAITING LIST

The advertisement opening the waiting list will also specify when the period for submitting pre-applications will end. A notice will be posted in the lobby of the main office of the SFHA (440 Turk Street) and the Leased Housing Division office advising interested parties that the SFHA is not accepting pre-applications for the Section 8 Program.

6.0 SELECTION FROM THE WAITING LIST

6.1 PREFERENCES

In accordance with the Quality Housing and Work Responsibility Act of 1998, SFHA will administer its Section 8 PBV program so that the following Income Targeting objectives are achieved for the period from April 1, 1999 through September 30, 2000, and for each fiscal year thereafter:

- Not less than 75% of new admissions to project-based Section 8 assistance programs must have incomes at or below 30 % of the area median income.
- The remainder of new admissions to project-based Section 8 assistance programs must have incomes at or below 80% of the area median.]

Notwithstanding the above, if necessary to meet the statutory requirement that 75% of newly admitted families in any fiscal year be families who are extremely low-income, the SFHA retains the right to skip higher income families on the waiting list to reach extremely low-income families. This measure will only be taken if it appears the goal will not otherwise be met. To ensure this goal is met, the Housing Authority will monitor incomes of newly admitted families and the income of the families on the waiting list.

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

However, despite all preference categories listed below, pursuant to 24 CFR 983.203 (b), in-place tenants, that are eligible for participation, in units selected for assistance under the PBV Program, must be added to the Section 8 Wait List and given an absolute preference to be assigned a unit in their assisted property.

The SFHA has adopted the Federal Preferences as Local Preferences in administering its assisted housing programs.

The SFHA employs the following system of local preferences in administering its wait list. The local preferences consist of:

3. INVOLUNTARY DISPLACEMENT:

An applicant is or will be involuntarily displaced if the applicant has vacated or will have to vacate his or her housing unit as a result of one or more of the following actions:

Natural Disaster: a disaster such as a fire, flood or earthquake that resulted in the uninhabitability of the applicant's unit.

Domestic Violence: an applicant who has vacated due to actual or threatened physical violence directed against the applicant or one or more members of the applicant's family by a spouse or other household member, who lives in housing with an individual who engages in such violence.

Government Action: an action of a government agency related to code enforcement or public improvement or development.

Landlord Action: an action by a housing owner that results in an applicant's having to vacate his or her unit, where the reason for the owner's action was beyond the applicant's ability to control or prevent, and despite the applicant having met all previously imposed conditions of occupancy, and the action is other than a rent increase.

2. SUBSTANDARD HOUSING:

Homeless: An applicant who is a "homeless family" shall be considered to be living in substandard housing if the individual or family:

Lacks a fixed regular, and adequate nighttime residence; and

Has a primary residence that is:

A supervised publicly or privately operated shelter designed to provide temporary living accommodations, (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); or

An institution that provides a temporary residence for individuals intended to be institutionalized; or

A public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings.

A "homeless family" does not include any individual imprisoned or otherwise detained pursuant to state or federal law.

Non-Homeless: A non-homeless family is living in substandard housing if their present unit meets any of the following criteria: it is "dilapidated;" it does not have operable indoor plumbing; it does not have a usable flush toilet and a usable bathtub or shower inside the unit for the exclusive use of the family; it does not have electricity, or has inadequate or unsafe electrical service; it does not have a safe or adequate source of heat; it should, but does not have a kitchen, or it has been declared unfit for habitation by a government agency. A housing unit is "dilapidated" if it does not provide safe and adequate shelter, and in its present condition endangers the health, safety, or well-being of a family or it has one or more critical defects or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding. The defects

may have resulted from the original construction, or from continued neglect or lack of repair, or from serious damage to the structure.

3. PAYING MORE THAN 50% OF INCOME FOR HOUSING:

An applicant shall qualify for this federal preference if the family is paying more than 50 percent of the total family income for rent. However, an applicant may not qualify for a preference under this section if the applicant is paying more than 50 percent of family income to rent a unit because his or her housing assistance under the public housing, Section 8 program, or any program under the Housing and Urban Development Act of 1965 with respect to that unit has been terminated as a result of the applicant's refusal to comply with applicable program policies and procedures with respect to the occupancy of under-occupied and overcrowded units.

The SFHA will weigh each local preference equally. That is, an applicant that meets the federal definition of any or all of the local preferences will receive an equal priority. Specific applicant preference procedures, definitions and requirements not covered in this policy shall follow the HUD regulations found at 24 CFR Part 5, as amended from time to time.

The SFHA has adopted the following as secondary local preferences:

7. Residency status: A family is considered a "resident" of the City and County of San Francisco, if (a) they live in San Francisco or (b) the head of household or spouse is employed or has been notified that he/she has been hired to work in San Francisco. The Family must submit documentation that provides a current address of residency or employment and sign a waiver to permit the SFHA to verify the address.
8. Veterans status: A member of the United States Armed Forces honorable discharged from service or currently listed and is the head of house hold or spouse of the applicant family. Verification will be provided by the Veterans Administration.
9. Welfare to Work Participants in good standing with their obligations to the Welfare to Work Program.

6.2 ORDER OF SELECTION

The SFHA will rank and admit applicants from the waiting list in accordance with the following priority categories:

Level of Priority	Category One	Category Two	Category Three	Category Four
1	Local Preference	Resident	Veteran	Welfare to Work
2	Local Preference	Resident	Veteran	Non-Welfare to Work
3	Local Preference	Resident	Non-Veteran	Welfare to Work
4	Local Preference	Resident	Non-Veteran	Non-Welfare to Work
5	Local Preference	Non-Resident	Veteran	Welfare to Work
6	Local Preference	Non-Resident	Veteran	Non-Welfare to Work
7	Local Preference	Non-Resident	Non-Veteran	Welfare to Work
8	Local Preference	Non-Resident	Non-Veteran	Non-Welfare to Work
9	No Local Preference	Resident	Veteran	Welfare to Work
10	No Local Preference	Resident	Veteran	Non-Welfare to Work
11	No Local Preference	Resident	Non-Veteran	Welfare to Work
12	No Local Preference	Resident	Non-Veteran	Non-Welfare to Work
13	No Local Preference	Non-Resident	Veteran	Welfare to Work
14	No Local Preference	Non-Resident	Veteran	Non-Welfare to Work
15	No Local Preference	Non-Resident	Non-Veteran	Welfare to Work
16	No Local Preference	Non-Resident	Non-Veteran	Non-Welfare to Work

Units shall be filled in the order indicated above. Applicants at the top of the list will be notified of a vacancy and asked to participate in the PBV Program. If they refuse or do

not respond, the next applicant is contacted, and so on. If at any time the waiting list does not contain a sufficient number of preference applications, the PBV referrals will be made to non-Local preference eligible applicants without regard to Preference Status.

Notwithstanding the selection process indicated above, pursuant to 24 CFR 983.203 (b), in-place tenants on the date of project selection, that are eligible for participation, in units selected for assistance under the PBV Program, must be added to the Section 8 Wait List and given an absolute preference to be assigned a unit in their assisted property.

Moreover, for units rehabilitated or constructed with HOPWA capital funding, the SFHA may skip down the wait list pursuant to HUD waivers to offer PBV assistance to households on the Section 8 wait list who have a family member who has been diagnosed with disabling HIV or AIDS and interested in the PBV assistance.

Moreover, for units specifically designed with accessibility features for persons with disabilities, the SFHA will refer applicants from the Section 8 Wait List who have indicated that they require a unit with accessibility features ahead of other people on the Section 8 wait list. Anyone rejecting the unit with accessibility features will be returned to the wait list to be considered in proper order.

Applicants shall have priority over participants who already have a subsidy in making referrals to PBV units. Applicants will be considered on a first come, first served basis for referral to PBV units after notification, in rank order, of unit availability.

6.3 PROCEDURES FOR REMOVING NAMES FROM THE WAITING LIST

The SFHA will not remove an applicant's name from the waiting list unless:

- A. The applicant requests that the name be removed;
- B. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program or misses more than three scheduled appointments; or
- C. The applicant does not meet either the eligibility or screening criteria for the program.

6.4 UPDATING OF THE WAITING LIST

In order to ensure the waiting list is accurate and current, the SFHA will update the waiting list periodically, but no more than annually, by requesting each household to submit a revised pre-application form. The following guidelines will govern update procedures:

- The SFHA will mail an update request letter and a blank pre-application form to each household on the waiting list.

- The request will be mailed to the applicant's last known address. Applicants will be advised in the eligibility letter of their responsibility to notify the SFHA, in writing, of any address changes. If the applicant fails to notify the SFHA of an address change, the SFHA accepts no responsibility for the applicant's failure to receive the update request.
- The update request letter will include a deadline date by which applicants must return the pre-application and will specify return by mail or in person. The letter will inform the applicant that if the SFHA fails to receive the updated pre-application form by the deadline date, the applicant's name will be removed from the waiting list.
- Applicants will be given a reasonable time to complete and return the updated pre-applications, generally not less than 14 calendar days.
- The SFHA accepts no responsibility for delays created by the United States Postal Service.
- The SFHA will make reasonable accommodations for the special needs of disabled applicants if the SFHA has been made aware of those needs.
- The SFHA will acknowledge all updated pre-applications received, in writing, to each applicant which will include a determination of eligibility, ineligibility or change in preference status.

6.5 REFUSAL TO LIST AN APPLICANT OR REMOVAL OF AN APPLICANT FOR SPECIFIC GROUNDS

The SFHA may deny listing an applicant on the waiting list, remove an applicant from the waiting list, deny or withdraw an offer of housing to an applicant pursuant to section 5.7 of the Section 8 Administrative Plan.

6.6 GROUNDS FOR DENIAL

The SFHA may deny assistance to applicants who:

- A. Do not meet any one or more of the eligibility criteria;
- B. Do not supply information or documentation required by the application process;
- C. Fail to respond to a written request for information or a request to declare their continued interest in the program;
- D. Fail to complete any aspect of the application or lease-up process;
- E. Have a history of criminal activity by any household member involving crimes of physical violence against persons or property, and any other criminal activity including drug-related criminal activity that would adversely affect the health, safety, or well being of other tenants or staff, or cause damage to the property. In

determining whether to deny assistance, the SFHA will review criminal background checks for all adults and look at criminal activity list for the past ten (10) years. Any drug activity from 0 to 10 years old will result in automatic denial. Applicant may appeal upon denial and present mitigating evidence.

- F. Currently owes rent or other amounts to any housing authority in connection with the public housing or Section 8 Programs.
- G. Have committed fraud, bribery, or any other corruption in connection with any Federal housing assistance program, including the intentional misrepresentation of information related to their housing application or benefits derived there from;
- H. Have a family member who was evicted from public housing within the last three years;
- I. Have a family member who was evicted from assisted housing within five years of the projected date of admission because of drug-related criminal activity involving the illegal manufacture, sale, distribution, or possession with the intent to manufacture, sell, distribute a controlled substance as defined in Section 102 of the Controlled Substances Act, 21 U.S.C. 802;
- J. Have a family member who is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The SFHA may waive this requirement if:
 - 1. The person demonstrates to the SFHA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
 - 2. The person has successfully completed a supervised drug or alcohol rehabilitation program;
 - 3. The person has otherwise been rehabilitated successfully as determined by the SFHA based on evidentiary supporting material; or
 - 4. The person is participating in a supervised drug or alcohol rehabilitation program.
- K. Have engaged in or threatened abusive or violent behavior towards any SFHA staff or residents;
- L. Have a family household member who has been terminated under the Certificate or Voucher Program during the last three years;
- M. Have a family member who has been convicted of manufacturing or producing methamphetamine (speed) (Denied for life);

- N. Have a family member with a lifetime registration under a State sex offender registration program (Denied for life).

6.7 INFORMAL REVIEW

If the SFHA determines that an applicant does not meet the criteria for receiving Section 8 assistance, the SFHA will promptly provide the applicant with written notice of the determination. The notice must contain a brief statement of the reason(s) for the decision, and state that the applicant may request an informal review of the decision within 10 business days of the denial. The SFHA will describe how to obtain the informal review. The informal review process as described in section 16.2 of the Section 8 Administrative Plan applies.

7.0 OCCUPANCY STANDARDS

The SFHA will follow an occupancy policy, which prevents overcrowding of units or under utilization of units. The following guidelines shall determine the minimum and maximum number of occupancy per unit size:

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
SRO	1	1
0	1	2
1	1	4
2	2	6
3	3	8
4	4	10

Bedroom size will also be determined using the following guidelines:

- A. Household members of the same sex, regardless of age, will share a bedroom.
- B. Children of the opposite sex, both under the age of (3) will share a bedroom.
- C. A parent and child, regardless of age, may be issued a two-bedroom Voucher
- D. Live-in aides may get a separate bedroom.

The SFHA will grant exceptions to normal occupancy standards when a family requests a larger size than the guidelines allow and documents a medical reason why the larger size is necessary. In general, valid reasons for larger BR size Vouchers should document the family's need for medical equipment that would not ordinarily be accommodated in the appropriately sized unit as a result of a disability. However, the SFHA reserves the right to review each case on an individual basis to make final determination of the need for an additional bedroom.

7.1 BRIEFING

When the SFHA selects a family from the waiting list, the family will be invited to attend a briefing explaining how the program works. In order to be certified the family is required to attend the briefing. If they cannot attend the originally scheduled briefing, they may attend a later session. Failure to attend a briefing without good cause may result in denied admission. The family will be given an opportunity to reschedule a briefing only once. All briefings will be conducted in accordance with Section 6.1 and 6.2 of the Section 8 Administrative Plan.

In addition, PBV participants shall be apprised of the likelihood that they will be issued a tenant-based Voucher after the HAP Contract expires. After 12 months of consecutive tenancy, if the tenant chooses to move, the PBV participant is eligible for continued assistance under the tenant-based Voucher program, subject to funding availability.

7.2 Selection From Waiting List

Once an owner has contacted the SFHA and informed them of the availability of a unit, the SFHA shall refer an appropriate number of applicants to the owner for suitability screening. The owner shall notify the applicants and the SFHA, in writing, of the refusal of any referred applicants. If additional referrals are needed, the SFHA shall refer additional applicants until the appropriate number of applicants have been accepted by the owner.

Accepted applicants shall be referred to the SFHA for Eligibility determination.

7.3 FAMILY CERTIFICATION

Once all family information has been verified, their eligibility determined, their subsidy calculated, and they have attended the family briefing, the SFHA will issue the PBV Statement of Family Responsibility that authorizes the family to participate in the PBV Program. The Certification must state that families who do not need but occupy a unit with accessibility features will transfer to another PBV unit to make the accessible unit available to a disabled family who needs the accessible features. Failure to vacate the unit within 60 days may result in termination of the assistance for the family.

Families occupying Excepted Units must meet the requirements of any Mandatory Services Plan in place that is necessary to meet the excepted units' criteria. Failure to comply with the Mandatory Services Plan will result in termination of the family's participation in the PBV Program and ineligibility for continued assistance.

The owner shall complete a Request For Tenancy Approval and submit it to the SFHA. An inspection of the unit shall be conducted pursuant to HQS in 24 CFR 982.401.

7.4 APPROVAL TO LEASE A UNIT

The SFHA will approve a lease if all of the following conditions are met:

- A. The unit is inspected by the Housing Authority and passes HQS;
- B. The family continues to meet all eligibility and screening criteria.

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

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

- D. The unit passes the Housing Authority HQS inspection;
- E. The landlord and tenant sign the lease;
- F. The Housing Authority approves the leasing of the unit.

7.5 SECURITY DEPOSIT

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

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

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

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

8.0 MOVES FROM ASSISTED UNITS

Participating families may not move from an assisted unit with their housing assistance during the initial term of the lease (twelve months). The assistance is tied to the unit and cannot be transported with the tenant. The PHA must issue any eligible family wishing to move with continued assistance a Section 8 Voucher from its tenant-based Voucher Program. If such assistance is not available, the family shall be given priority for the next available unrestricted tenant-based Voucher.

8.1 WHEN A FAMILY MAY MOVE

A family participating in the PBV Program may only move from the assisted unit if:

- G. The owner has given the tenant a notice to vacate, has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the tenant. Continued assistance may not be available if termination is a result of tenant malfeasance; or
- H. The tenant has given notice of lease termination (in accordance with lease agreement) to the owner and SFHA. Continued Assistance would be conditional on funding availability; or
- I. Unit is overcrowded or under-occupied pursuant to 24 CFR 983.259. If a tenant is required to vacate a unit because it is the wrong size or is needed by a disabled family due to accessibility features, the family must move within 60 days of an offer of other assistance or the subsidy will be terminated. The family may not be forced to move unless they reject an alternative offer of housing.
- J. After living in the PBV unit for twelve months, provided that the family is currently in good standing and has not been terminated or skipped from their assisted unit. Continued assistance would be conditional on funding availability.

9.0 DETERMINATION OF FAMILY INCOME

9.1 *INCOME, EXCLUSIONS FROM INCOME, DEDUCTIONS FROM INCOME*

Family income inclusions, deductions and exclusions as stipulated in Section 9 of the Section 8 Administrative Plan apply to the Section 8 PBV Program.

10.0 RENT AND HOUSING ASSISTANCE PAYMENT

10.1 HAP CONTRACT TERM/EXTENSION

The initial Housing Assistance Payments Contract term for the project may be for up to ten years subject to the future availability of sufficient appropriated funds under the PHA's consolidated ACC with HUD. Within one year before expiration, the PHA may agree to extend the term of the HAP contract for an additional term of five years if the PHA determines an extension is appropriate to continue providing affordable housing for low-income families. Subsequent extensions are subject to the same limitations. Any extension of the term must be on the form and subject to the conditions prescribed by HUD at the time of the extension. It is the intent of the SFHA PBV Program to renew PBV HAP Contracts for as long as the overriding need for affordable housing exists and the HAP is necessary to ensure financial viability for the property owner.

- 10.2 The initial rent to owner is established at the beginning of the HAP contract term. It cannot exceed the lesser of 110 % of the applicable FMR (or HUD approved Exception FMR), the reasonable rent or the rent requested by the owner.

Rents for units in which the SFHA has an identify of interest must be established by a HUD-approved independent entity. Initial rents must be established by a State Certified Appraiser to establish reasonable rents for the units and approved by HUD. In no circumstance can initial rents exceed 110% of the established Fair Market Rent or HUD approved Exception Rent.

Annual rent increases must be requested from the SFHA no less than sixty (60) days prior to the HAP Contract anniversary date in order to be effective on the Contract anniversary date. Failure to submit the request for a rent adjustment in time will result in no increase for the new contract year. Rents may be adjusted up, down or left as is, subject to funding availability.

10.3 RENT REASONABLENESS

The Housing Authority will not approve an initial rent or a rent increase for any PBV unit without determining that the rent amount is reasonable. Reasonableness is determined prior to the initial lease and at the following times:

- A. At the time a request for a rent increase is received from the owner;
- B. If there is a 5 % or greater reduction in the FMR
- C. Upon the owner's request.

10.4 MAXIMUM SUBSIDY

Maximum project-based assistance cannot exceed 110 Percent of the established Fair Market Rent (FMR) published by HUD or the exception payment standard rent (requested by the SFHA and approved by HUD)

10.5 UTILITY ALLOWANCE

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

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

The Housing Authority reviews the utility allowance schedule annually and revises any allowance for a utility category if there has been a change of 10% or more in the utility rate since the last time the utility allowance schedule was revised. The Housing Authority maintains information supporting the annual review of utility allowances and any revisions made in its utility allowance schedule. Participants may review this information at any time by making an appointment with the Section 8 Department.

The Housing Authority uses the appropriate utility allowance for the size of dwelling unit actually leased by the family (rather than the family unit size as determined under the Housing Authority subsidy standards). There is a utility allowance for Apartments and for Flats/Single Family Dwellings. A Flat shall be defined as a residence that occupies the entire floor of a multi-floor building where each floor is a separate residence, regardless of square footage.

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

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

The utility allowance will be subtracted from the family's share to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to the owner. The amount of the utility allowance is then still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belong to the tenant.

The SFHA may also utilize an Energy Efficient Utility Allowance (EEUA) at the request of an owner. Prior to implementation, the Owner must comply with certifying requirements for the EEUA as defined in the Administrative Plan for the Existing Program

10.6 DISTRIBUTION OF HOUSING ASSISTANCE PAYMENT

The Housing Authority pays the owner the lesser of the housing assistance payment or the rent to owner. If payments are not made when due, the owner may charge the SFHA a late payment, agreed to in the Contract and in accordance with generally accepted practices in the City and County of San Francisco jurisdiction.

10.7 CHANGE OF OWNERSHIP

All changes in ownership for PBV units must comply with the provisions set forth in the Housing Assistance Payment Contract. All changes of ownership for PBV units must be approved by the SFHA prior to closing.

Changes of ownership executed without SFHA approval may result in HAP Contract termination.

11.0 Inspection Policies, Housing Quality Standards, and Damage Claims

The SFHA will inspect all units to ensure that they meet Housing Quality Standards (HQS). No unit will be initially placed on the Section 8 PBV Program unless the HQS are met. Units will be inspected at least annually, and at other times as needed, to determine if the units meet HQS. At the HA's discretion, a sample of units for a particular project representing a minimum of 20 %. If 20 % or more of the sampling of units fail HQS, 100% of the units must be inspected for the property. The sampling will be selected to ensure that all units are inspected within a 5 year cycle.

The SFHA must be allowed to inspect the dwelling unit at reasonable times with reasonable notice. The family and owner will be notified of the inspection appointment by first class mail. If the family can not be at home for the scheduled inspection appointment, the family must call and reschedule the inspection or make arrangements to enable the Housing Authority to enter the unit and complete the inspection.

If the family misses the scheduled inspection and fails to reschedule the inspection, the SFHA will only schedule one more inspection. If the family misses two inspections, the SFHA will consider the family to have violated a Family Obligation and their assistance will be terminated. Inspections standards outlined in Section 12 of the Section 8 Administrative Plan and 24 CFR 982.401 apply to the PBV Program.

Quality Control Inspections

A representative sample, not to exceed 5 %, of PBV units shall be included in SFHA supervisory quality control HQS inspections.

PHA Owned Units

Units in which the SFHA has an Identity of Interest must be inspected by a HUD approved public or private independent entity or the unit of general local government. The independent entity must furnish a copy of each inspection report to the HUD Field Office.

11.1 VACANCY LOSS

The SFHA shall continue to provide assistance for a unit that becomes vacant for up to a maximum of 60 days after the unit becomes vacant. Such payments may only be made if the vacancy is not the fault of the owner, and the owner and the SFHA take "every reasonable action" to minimize the likelihood and extent of the vacancy. Vacancy shall be paid at a rate of 80 % of the Contract Rent after deduction of any excess tenant deposit.

If no eligible family rents a vacant unit within 120 days after the vacancy commenced, the SFHA may terminate its commitment to make any additional HAPs for the unit for the balance of the HAP Contract term.

12.0 RECERTIFICATION

12.1 ANNUAL RE-EXAMINATION

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

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

During the interview, the family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's share of rent. The family will sign the HUD consent form and other consent forms that later will be mailed to the sources that will verify the family circumstances. All income and assets shall be verified using third party income verification. This is defined as verification that has not been touched by the tenant/applicant. In the interest of time, once 3rd party income verification has been sent out, rent calculations will be completed once all 2nd party verification from the providing source has been secured. Once the 3rd Party Verification documentation is received in the office, staff will compare the 2nd and 3rd party verifications to see if there is the need to adjust the rent calculation. If the 3rd party verification is not returned, staff will document that an attempt was made to retrieve 3rd party documentation, by placing a copy of the 3rd party request for verification in the file and accept the 2nd party verification as adequate proof of income/asset verification.

Upon receipt of verification, the SFHA will determine the family's annual income and will calculate their family share.

Enterprise Income Verification procedures outlined in the Administrative Plan for the Existing Section 8 Program will be followed for all PBV households.

12.2 Effective Date of Rent Changes for Annual Reexaminations

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

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

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

12.3 Re-examination by Mail

Where possible, the SFHA will complete the Annual Certification by mail when the family is disabled and the income is known to be only from one source.

All first time re-examinations must be completed at the SFHA's Section 8 office unless requested as a reasonable accommodation by a disabled individual.

12.4 Effective Dates of Interim Re-examinations of Rent

Income changes must be reported within 30-days. Changes that decrease the amount of rent payment made by the participant will be made effective the first of the month following the receipt of the notice to SFHA. However, this provision will not apply and no retroactive changes will be made if the notice of the change is not reported timely.

Changes that increase the amount of payment made by the tenant will be effective at the time of the annual re-examination.

If the annual re-examination is less than 30 days away the change will take effect on the first day of the second month following the date in which the change occurs.

If a family had requested a rent adjustment due to a loss of income (i.e. losing a job, going on unemployment or disability) where the rent was adjusted downward the first of the month following the receipt of written notice, and if this same family begins working again or the income is increased due to other sources (i.e. social security), the rent may be increased following a minimum 30-day written notice to the family.

For elderly/disabled families moving from TANF or unemployment, as defined in 24 CFR 5.617, to work, and whose income increases due to employment or increased earnings within six months of receiving TANF, the household will be eligible for the Earned Income Disregard benefit.

An interim re-examination will not be required if the participant requests to move to a new unit within 60 days of the last annual re-examination provided that the income verification is not more than 120 days old from the new lease effective date.

Errors made by the SFHA will not adversely effect the participant. Errors that resulted in overpayment of rent by the participant will be reimbursed to the participant. Errors by the SFHA that resulted in underpayment of rent by the tenant will not result in a retroactive payment from the tenant. The change in rent will be made effective the first of the second month following notice to the participant and owner.

As stated in the Quality Housing and Work Responsibility Act (QHWR) of 1998. Income changes resulting from welfare program requirements. 1) If a family's welfare benefits are lowered due to the family's failure to comply with program requirements the HA must not reduce the family's rent. 2) HA's are not to consider a loss of benefits due to the expiration of lifetime time limits as a failure to comply and the HA must lower the tenant's rent. 3) If the family's benefits are reduced because of fraud the HA must not lower the rent.

Families with zero income will be required to report any change in income immediately. Failure to do so may result in termination of assistance.

12.5 Missed Appointments

If the family fails to respond to the letter and fails to attend the interview, a second letter will be mailed. The second letter will advise of a new time and date for the interview, allowing for the same considerations for rescheduling and accommodation as above. The letter will also advise that failure by the family to attend the second scheduled interview will result in the SFHA taking action to terminate the family's assistance.

12.6 Inclusionary Clause

Notwithstanding the above sections regarding re-examinations, Section 14 of the Section 8 Administrative Plan regarding termination of assistance to the family, in its entirety, shall apply to the PBV Program.

13.0 TERMINATION OF ASSISTANCE TO THE FAMILY BY THE SFHA

24 CFR 983.207 applies. The Housing Authority may at any time terminate program assistance for a participant, because of any of the actions or inaction by the household:

- A. If the family violates any family obligations under the program.
- B. If a family member fails to sign and submit consent forms.
- C. If a family fails to establish citizenship or eligible immigrant status and is not eligible for or does not elect continuation of assistance, pro-ration of assistance, or temporary deferral of assistance. If the SFHA determines that a family member has knowingly permitted an ineligible noncitizen (other than any ineligible noncitizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Section 8 for a period of 24 months from the date of termination.
- D. If any member of the family has ever been evicted from public housing.
- E. If the Housing Authority has ever terminated assistance under the Certificate or Voucher Program for any member of the family.
- F. If any member of the family commits drug-related criminal activity, or violent criminal activity.
- G. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.
- H. If the family currently owes rent or other amounts to the Housing Authority or to another Housing Authority in connection with any Section 8 or public housing assistance under the 1937 Act.
- I. If the family has not reimbursed any Housing Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- J. If the family breaches an agreement with the Housing Authority to pay amounts owed to a Housing Authority, or amounts paid to an owner by a Housing Authority. (The Housing Authority, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a Housing Authority or amounts paid to an owner by a Housing Authority. The Housing Authority may prescribe the terms of the agreement.)

- K. If the family has engaged in or threatened abusive or violent behavior toward Housing Authority personnel.
- L. If any household member is subject to a lifetime registration requirement under a State sex offender registration program.
- M. If a household member's illegal use (or pattern of illegal use) of a controlled substance, or whose abuse (or pattern of abuse) of alcohol, is determined by the SFHA to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- N. If the family is offered an alternative unit as a result of their occupancy of a unit with accessibility features or is over-housed and refuses the offer, assistance may be terminated.
- O. Any PBV family who, due to their occupancy of an excepted unit, fails to maintain their participation in a mandatory services plan may be terminated from participation in the PBV program and disqualified from receiving continued assistance.

14.0 COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, AND INFORMAL HEARINGS FOR PARTICIPANTS

14.1 COMPLAINTS

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

Informal reviews and hearings shall be conducted pursuant to Section 16 of the Section 8 Administrative Plan

15.0 TERMINATION OF THE LEASE AND CONTRACT

The term of the lease is independent of the term of the HAP contract for the PBV Program. The lease may be terminated by the owner, by the tenant, or by the mutual agreement of both. The HAP contract may be terminated by the SFHA. Under some circumstances the contract automatically terminates.

A. Termination of the lease

1. By the family

The family may terminate the lease without cause upon proper notice to the owner and to the SFHA after the first year of the lease. The length of the notice that is required is stated in the lease (generally no more than 60 days).

2. By the owner.

a. The owner may terminate the lease during its term and in accordance with the provisions of the Rent Ordinance for the following reasons:

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

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

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

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

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

(1) Family history of disturbances of neighbors or destruction of property, or living or housekeeping habits resulting in damage to the property or unit;

- b. During the first year the owner may not terminate tenancy for other good cause unless the reason is because of something the household did or failed to do.
- c. The owner may only evict the tenant by instituting court action. The owner must give the SFHA a copy of any owner eviction notice to the tenant at the same time that the owner gives the notice to the tenant.
- d. If the owner chooses not to renew a tenant's lease without good cause, the family will be issued a Housing Choice Voucher and the HAP contract will be reduced by one unit.

3. Termination of the Lease by mutual agreement

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

B. Termination of the Contract

1. Termination of the contract by the owner

The owner may terminate the contract by refusing to renew the HAP contract after the expiration of a HAP term.

The owner may also terminate the HAP Contract if the rent for the assisted units falls below the initial HAP rent.

2. Termination of the HAP contract by the SFHA

The Housing Authority may terminate the HAP contract because:

- a. The SFHA determines that there is insufficient funding in their contract with HUD to support continued assistance for families in the program.
- b. The owner has breached the contract in any of the following ways:
 - i. If the owner has violated any obligation under the PBV HAP contract for the dwelling unit, including the owner's obligation to maintain the unit in accordance with the HQS.

- ii. If the owner has violated any obligation under any other housing assistance payments contract under Section 8 of the 1937.
- iii. If the owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.

If the owner engages in drug related activity or in violent criminal activity.

- iv. The owner has a history or practice of non-compliance with HQS for units leased under Section 8 or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program;
- v. The owner refuses (or has a history of refusing) to evict families for drug-related or violent criminal activity, or for activity that threatens the health, safety or right of peaceful enjoyment of the:
 - 5. premises by tenants, SFHA employees or owner employees; or
 - 6. residences by neighbors;
- vi. Other conflicts of interest under Federal, State, or local law.

16.0 SFHA OWNED HOUSING

Units owned by the SFHA and not receiving subsidy under any other program are eligible housing units for the PBV Program. In order to comply with federal regulation, the SFHA will be required to request that the Regional HUD office conduct the provisions set forth pursuant to 24 CFR 983.59, 983.301 (g) and 983.303 (f).

17.0 MISCELLANEOUS

17.1 ASSISTING FAMILIES EXPERIENCING ILLEGAL DISCRIMINATION

It is the policy of the SFHA to comply fully with all federal, state and local anti-discrimination laws. The SFHA will not discriminate against any individual or family because of race, color, creed, national or ethnic origin or ancestry, religion, sex, sexual preference, age, disability, handicap, military status, source of income, marital status, presence of children in a household, or because an individual has or is suspected of having Acquired Immune Deficiency Syndrome (AIDS).

During briefing sessions, families are provided with a HUD brochure, Fair Housing- It's Your Right, and a form HUD-903, Housing Discrimination Complaint. If an applicant or participation requests assistance, the SFHA will provide help in completing this form and forwarded it to the California State HUD Office of Fair Housing and Equal Opportunity.

For complaints involving state and local laws, the SFHA will refer the applicant or participant to the appropriate state or city offices. If available, the SFHA will provide forms for filing discrimination complaints to state or city offices.

17.2 FAMILY BREAK-UPS

In the event of a family break-up by divorce or legal separation, the family shall decide who remains in the assisted unit. No further subsidy shall be provided to the departing spouse. In the event that the SFHA must determine which of the family members will continue to receive the Section 8 PBV assistance, the SFHA determination will be made based on the following priorities:

- 1 Mutual agreement of the family members. All adult family members must sign a mutual agreement form
- 2 A court stipulated determination of which household retains the assistance
- 3 The interest of minor children or of ill, elderly or disabled family members
- 4 The interest of family members who are victims of actual or threatened physical violence directed against a family member by a spouse or other member of the applicant household. Certification from the local police department, a social service agency, court of proper jurisdiction, or clergy, physician or facility that provides shelter or counseling to the victims of domestic violence will be required to verify the domestic violence
- 5 The continued use of the assistance in the current unit
- 6 Head-of-household.

- 7 For excepted units, the qualifying family member will be entitled to the continuation of the rental assistance. The qualifying member is defined as the household member who does not interrupt their supportive services obligations. Any excepted unit in which the elderly or disabled household member is no longer in residence, the remaining household members will not be entitled to remain in the excepted unit.

The family must notify the SFHA, in writing, within 14 days of the action causing the break-up and request a determination of the assignment of the assistance. The SFHA may schedule a meeting with the family members to discuss the assignment.

17.3 JOINT CUSTODY OF CHILDREN

Children who are subject to a joint custody agreement but live with one parent at least 51% of the time will be considered members of the household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively.

When both parents are on the Waiting List and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent.

18.0 REPAYMENT AGREEMENTS

Section 8 PBV participants may incur debts to the SFHA as a result of failure to accurately report income and family composition, for charges due under the lease that are paid by the SFHA and, under the certificate program, payments for units vacated in violation of the lease. Section 8 landlords may also incur a liability as a result of overpayment of HAP. The SFHA may, at its sole discretion, initiate a termination action, require repayment in a lump sum or allow the debtor to execute a promissory note to repay the debt over a period of time. The SFHA will take into consideration the amounts owed and the likelihood that the debtor will repay the debt before approving a repayment plan.

18.1 PARTICIPANTS

When a debt from a participant is established, the SFHA will determine whether there are other outstanding repayment agreements. If there are and the participant is not current on all payments, the SFHA will not execute a new repayment agreement. The participant will be required to pay the debt in full in order to continue to receive assistance from the SFHA. If there are no outstanding repayment agreements or if an agreement exists, the participant is current on all payments and the participant has adequate resources, the SFHA will allow the participant to enter into a promissory note to repay the new debt. The SFHA will require repayment over a twelve month period, with an initial payment of no less than 25 percent of the amount owed and eleven additional monthly payments over the remaining period. For debts in excess of \$1,000, the SFHA will consider a repayment agreement over eighteen months, with an initial payment of no less than 25 percent of the amount owed and seventeen additional monthly payments over the remaining period. The promissory note will specify the amounts and due dates of the payments.

Participants are expected to make all payments on a timely basis unless prior arrangements are made with the SFHA due to circumstances beyond the control of the participant. Upon the failure of the participant to make a payment, the SFHA will send a reminder notice requesting payment within five calendar days. If there is no response or a second payment is missed, the SFHA may send a letter demanding full payment of the outstanding amount. If a full payment is not received, the SFHA may initiate a termination of assistance action. The SFHA may periodically employ a collection agency to collect debts from terminated participants.

18.2 APPLICANTS

Applicants who owe money to any SFHA housing program or to any other Public Housing Agency (PHAs) will be required to repay the amount in full prior to receiving PBV assistance.

18.3 OWNERS AND FAMILY DEBTS

SFHA's policies regarding the collection of debts from owners and families, specifically the assessment of debts and method of recovering monies owed to the SFHA shall be consistent with the policies and procedures set forth in section 24 of the Section 8 Administrative Plan.
