Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the City Clerk's Office, 300 West Third Street 4th Floor during customary business hours. Agenda reports are also on the City of Oxnard web site at www.oxnard.org.

CITY OF OXNARD CALIFORNIA

AGENDA
OXNARD CITY COUNCIL
COMMUNITY SERVICES, PUBLIC SAFETY, HOUSING & DEVELOPMENT COMMITTEE
Council Chambers, 305 West Third Street
May 24, 2022
Regular Meeting - 6:45 to 8:15 PM

Zoom details to call-in for public comment during a meeting:

1. **Dial Phone Number: (888) 475-4499**
2. **Enter Meeting ID: 899 7562 1106**
3. **Passcode: 507193**

If you wish to speak during public comments or a particular item on the agenda, please sign-on by following the zoom calling in steps listed above. Once the Mayor calls for public speakers, press *9 to raise your hand to inform the City Clerk you would like to speak during the public speaking section for that particular item on the agenda, while in the zoom waiting room.

The public may view the meeting from home on Spectrum channel 10, Frontier channel 35, or YouTube at Youtube.com/oxnardnews. Video recordings of the meeting are typically available online following the meeting at the City's website at www.oxnard.org/city-meetings.

*Please see the link for the Measure M pre-recorded presentation video for each item listed on this agenda.

YOU MAY PARTICIPATE IN THE MEETING IN THE FOLLOWING WAYS:

1. ATTEND THE MEETING AT THE LOCATION LISTED ABOVE: Submit a speaker card to the City Clerk.

2. EMAIL COMMENTS OR SIGN UP TO SPEAK REMOTELY BEFORE THE MEETING

   a. Submit a request to speak by no later than 3 p.m. on the day of the meeting by using the form available at **www.oxnard.org/citymeetings**.
   b. Submit an email to **cityclerk@oxnard.org** no later than 3 p.m. on the day of the meeting (indicate the agenda item number in the subject line). All email correspondence will be forwarded to the City Council prior to the start of the meeting and made part of the legislative record.
   c. Contact the City Clerk's Office at (805) 385-7803 to submit your request.

3. PROVIDING PUBLIC COMMENTS REMOTELY DURING THE MEETING

   a. To provide public comment during the meeting dial (888) 475-4499 and enter the Meeting ID and Passcode listed above as the Zoom details for this meeting. When the Mayor announces the particular item on the agenda you want to speak on, press *9 to raise your hand while in the zoom waiting room. Once called on, press *6 to unmute your phone.
   b. Public comments on agenda items will be taken following the announcement of the item. After the item is announced, members of the public may register or otherwise be recognized for the purpose of providing public comment.

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

Agenda Item time estimates: (Presentation / Committee Discussion / Public Comment)

Detailed participation instructions can be found at www.oxnard.org/city-meetings.

* The City has filed pre-election and post-election lawsuits regarding the validity of Measure M.

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker requests shall be submitted as set forth on the first page of this agenda. Speakers are limited to three minutes. After 30 minutes, if all speakers have not had the opportunity to speak, the remaining speakers will be given an opportunity to speak prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager/Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on public hearing items should do so at the time of the hearing.

C. CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION: That the Community Services, Public Safety, Housing & Development Committee approve the minutes of the May 10, 2022 regular meeting as presented.

Legislative Body: Community Services, Public Safety, Housing & Development Committee

Contact: Rose Chaparro, (805) 385-7805

D. REPORTS

1. Police Department

SUBJECT: Animal Safety Services with the County of Ventura. (0/10/10)

RECOMMENDATION: That the Community Services, Public Safety, and Economic Development Committee recommend the City Council approve a budget appropriation with a total cost projection in the amount of $2,156,159 and authorize the Mayor to sign a Service Level Request for FY 22-23 for the third year of a five-year agreement (A-8151) with the County of Ventura to provide animal safety services.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/8oZ69E26nMQ

Contact: Jason Benites, (805) 385-7624

2. Fire Department

SUBJECT: Purchase Order with Motorola for $777,385.26 for 73 Radios. (0/5/5)

RECOMMENDATION: That the Community Services, Public Safety, and Housing & Development Committee recommends that the City Council authorize the Mayor to sign a Purchase Order with Motorola Solutions in the amount of $777,385.26 for the purchase of thirty-three (33) APX 8500 all-band mobile radios and forty (40) APX 8000 all-band portable radios with spare batteries and remote speaker microphones.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/nOMbds7UZdY

Contact: Alexander Hamilton, (805) 385-7700

3. Housing Department

SUBJECT: United States Department of Housing and Urban Development's Role in addressing the Housing Crisis & Homelessness. (0/15/10)

RECOMMENDATION: That the Community Services, Public Safety, and Housing & Development Committee:

1. Receive a Report on the United States Department of Housing and Urban Development's Housing Choice Voucher Programs progression over time to respond to changing housing needs; and

2. Direct staff to prepare and present to the Oxnard Housing Authority Board of Commissioners a comprehensive proposal to respond to the housing crisis with a homeless services program inclusive of the continued solicitation of special purpose vouchers, future voucher project-based commitments and adoption of a local preference in support of homeless individuals.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/Vf3ZJzqnveE

Contact: Emilio Ramirez, (805) 385-8094

E. ITEMS FOR FUTURE AGENDAS

F. ADJOURNMENT

COMMUNITY SERVICES, PUBLIC SAFETY, HOUSING & DEVELOPMENT COMMITTEE AGENDA REPORT

CONSENT AGENDA
AGENDA ITEM NO. C.1

DATE: May 24, 2022

TO: Community Services, Public Safety, Housing & Development Committee

FROM: Rose Chaparro, City Clerk, (805) 385-7805, rose.chaparro@oxnard.org

SUBJECT: Approval of Minutes.

RECOMMENDATION

That the Community Services, Public Safety, Housing & Development Committee approve the minutes of the May 10, 2022 regular meeting as presented.

BACKGROUND

Approval of Minutes.

STRATEGIC PRIORITIES

This agenda item is a routine operational item.

FINANCIAL IMPACT

There is no financial impact.

Prepared by: Rose Chaparro, City Clerk

ATTACHMENTS

1. MINUTES 05 10 2022 Community Services, Public Safety, Housing & Development

MINUTES
OXNARD CITY COUNCIL
COMMUNITY SERVICES, PUBLIC SAFETY,
HOUSING & DEVELOPMENT COMMITTEE
Regular Meeting
MAY 10, 2022

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

At 6:45 p.m., Chair Bryan A. MacDonald called to order the regular meeting of the Oxnard City Council Community Services, Public Safety, Housing & Development Committee in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Chair MacDonald, Member Oscar Madrigal, Member John C. Zaragoza were present in person.

Staff members Alexander Nguyen, City Manager; Ashley Golden, Assistant City Manager; Ken Rozell, Chief Assistant City Attorney; Jason Benites, Police Chief; Emilio Ramirez, Housing Director; Terrel Harrison, Cultural & Community Services Director; Samantha Shapiro, Project Manager and Rose Chaparro, City Clerk were present in person.

Staff members that participated via videoconference were Alexander Hamilton, Fire Chief; Juanita Guzman, Administrative Services Manager and Steve McNaughten, Fire Marshal.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA (None received.)

C. CONSENT AGENDA

1. City Clerk Department
SUBJECT: Approval of Minutes.
RECOMMENDATION: That the Community Services, Public Safety, Housing & Development Committee approve the minutes of the April 26, 2022 regular meeting as presented.

It was moved by Member Madrigal, seconded by Member Zaragoza, to approve the Information/Consent item as presented. VOTE: MacDonald, Madrigal, and Zaragoza voted in favor; the motion carried 3-0.

D. REPORTS

1. City Manager Department
SUBJECT: Approval of Proposed Special Event Support Program and Budget for FY 22-23. (0/5/10)
RECOMMENDATION: That the Community Services, Public Safety, Housing & Development Committee recommend that City Council:

    1. Approve the City's new proposed Special Event Support Program; and
    2. Allocate $115,000.00 toward the Special Event Support Program in the FY 22-23 Budget.

Ashley Golden, Assistant City Manager introduced Samantha Shapiro, Project Manager, presented and answered the Committee's questions. No public comments were received. Discussion ensued among the

Committee and staff.

It was moved by Member Madrigal, seconded by Member Zaragoza, to approve the recommended action as presented. VOTE: MacDonald, Madrigal, and Zaragoza voted in favor; the motion carried 3-0.

E. ITEMS FOR FUTURE AGENDAS (No requests were made.)

F. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair MacDonald adjourned the meeting at 6:58 p.m.

ROSE CHAPARRO	BRYAN A. MACDONALD
City Clerk	Chair

COMMUNITY SERVICES, PUBLIC SAFETY, HOUSING & DEVELOPMENT COMMITTEE AGENDA REPORT

REPORTS
AGENDA ITEM NO. D.1

DATE: May 24, 2022

TO: Community Services, Public Safety, Housing & Development Committee

FROM: Jason Benites, Police Chief, (805) 385-7624, jason.benites@oxnardpd.org

SUBJECT: Animal Safety Services with the County of Ventura. (0/10/10)

RECOMMENDATION

That the Community Services, Public Safety, and Economic Development Committee recommend the City Council approve a budget appropriation with a total cost projection in the amount of $2,156,159 and authorize the Mayor to sign a Service Level Request for FY 22-23 for the third year of a five-year agreement (A-8151) with the County of Ventura to provide animal safety services.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/8oZ69E26nMQ

BACKGROUND

The City entered into a five-year agreement with Ventura County Animal Services (VCAS) in FY 20-21. Under the terms of agreement, A-8151 (the "Agreement"), VCAS shall provide the following shelter services: impoundment, boarding, quarantine, veterinary services, euthanasia services, over-the-counter animal license sales, animal adoptions, and disposal of dead animals. Impounded animals will be vaccinated and provided necessary care, food, and shelter in accordance with the provisions of state law. The animal's picture will be posted on the VCAS website as soon as practicable to assist the City's residents in reclaiming a missing pet. As part of the agreement, the costs are distributed amongst eight (8) Ventura County cities, including Oxnard and unincorporated areas of Ventura County. The costs are based on VCAS operating and administrative costs, licensing costs, and field staff services.

The base costs for VCAS have risen each year due to increases in personnel-related costs, medical supplies, and veterinary care. The FY 18-19 agreement of $1,948,039 was a 5% increase from FY 17-18. The FY 19-20 agreement of $2,113,884 is an 8.5% increase from FY 18-19. The FY 20-21 agreement of $2,324,778 was a 9.9% increase from FY 19-20. The FY 21-22 agreement of $2,479,135 is a 6.6% increase from FY 20-21. The proposed FY 22-23 agreement of $2,669,598.97 is a 7.7% increase from FY 21-22.

	VCAS Base Cost	% Difference
FY 17-18	$1,854,979	+9.8%
FY 18-19	$1,948,039	+5%
FY 19-20	$2,113,884	+8.5%
FY 20-21	$2,324,778	+9.9%
FY 21-22	$2,479,135	+6.6%

FY 22-23	$2,669,598	+7.7%

Per the five-year agreement, the animal intake costs are divided using a billing methodology that calculates the pro-rata costs to cities looking at historical calendar year animal intake figures using a 3-year weighted average. There is a built-in 5% annual budget increase to the Animal Care budget each year of the agreement. Each year of the agreement, the Police Department will complete an agreement for the cost of the upcoming fiscal year.

The VCAS budget is a consortium of costs shared by the eight (8) contract cities and the County. Cities and the County pay their pro-rata share based on the weighted average of animal intakes. There are no annual "true-up" costs, which means the City will not be billed more than the proposed Animal Care portion of expenses for FY 22-23.

The table below shows the costs for all cities and the unincorporated areas of the County for FY 21-22. This allocation of costs is based on the overall cost to run the shelter of $6,741,010.13 (year three of the contract) that is shared by the eight (8) participating cities and the County based on a 3-year weighted average of animal intakes to the shelter. The column on the far right titled "FY 22-23 Animal Care Cost" is the City's actual animal care cost for the upcoming fiscal year.

City	2019 Intake	2020 Intake	2021 Intake	3-Year Weighted Average	FY 22-23 Animal Care Cost
Camarillo	1,158 - 9.9%	536 - 9.9%	608-10.1%	9.98%	$672,736.93
Fillmore	235 - 2.0%	106 - 2.0%	102 -1.7%	1.84%	$123,710.53
Moorpark	364 - 3.1%	139 - 2.6%	119 - 2.0%	2.40%	$162,013.14
Ojai	82 - 0.7%	33 - 0.6%	38 - 0.6%	0.64%	$43,275.86
Oxnard	**4,340 - 37.1%**	**2,055 - 37.8%**	**2,377 - 39.4%**	**38.43%**	**$2,590,577.13**
Port Hueneme	413 - 3.5%	224 - 4.1%	267 - 4.4%	4.13%	$278,151.29
Simi Valley	1,327 - 11.3%	522 - 9.6%	570 - 9.5%	9.96%	$671,473.49
Ventura	1,355 - 11.6%	696 - 12.8%	716 - 11.9%	12.03%	$811,089.12
County	2,438 - 20.8%	1,120 - 20.6%	1,234 - 20.5%	20.59%	$1,387,982.64
Total Intake	**11,712**	**5,431**	**6,031**	**100%**	**$6,741,010.13**

Additional Costs

Additional costs are associated with on-call field services, emergency field services, and license processing; the highest being on-call field services, which varies depending on staffing within the Oxnard Animal Safety Unit. The City uses VCAS to provide on-call and emergency field services during periods when we do not have any Oxnard Animal Safety Officers available for 24-hour coverage seven days a week. Maintaining appropriate staffing levels within the Animal Safety Unit has been a challenge in FY 21-22 which caused a greater dependence on supplemental coverage from VCAS. The field service rate was $90 per hour (the VCAS hourly rate is the same for on-call standby and emergency response field services) in FY 21-22, and will increase to $100 per hour in FY 22-23.

Licensing fees are $6 per license processed, which will remain the same in FY 22-23. The table below shows an estimated cost of field services for FY 22-23.

FY 22-23 Agreement Estimates	
3-YR Weighted Average of Animal Intakes	38.43%
Shelter Costs	$2,590,577.13

On-Call and Emergency Field Services	$10,000.00
License Processing $6/License	$67,140.00
Chameleon Access/Server Costs	$681.84
Total Net Cost Projection	**$2,668,398.97**

The revenue from animal licensing is used to offset the amount paid to VCAS for services and is seen as a credit on quarterly invoices. The City also receives revenue credit from animals that are claimed by their owners and fees are recovered by VCAS. The revenue generated from animal redemption also offsets the amount paid to VCAS for services and is seen as a credit on quarterly statements.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

The total amount of this agreement is $2,668,399. The projected revenue from animal licensing and animal redemption for FY 22-23 is $512,240. The net FY 22-23 General Fund Police Animal Safety Contracts & Services - Animal Shelter (Account No. 101-2106-802-8228) projected budgeted amount is $2,156,159.

Prepared by: Marc Amon, Police Department

ATTACHMENTS

1. NEW ANIMAL SERV AGREEMENT_Oxnard FY 22-23
2. NEW SERVICE LEVEL REQUEST_Oxnard FY22-23
3. FY 22-23 VCAS Agreement Presentation PP

ANIMAL SERVICES AGREEMENT

COUNTY OF VENTURA AND CITY OF OXNARD

ANIMAL SERVICES AGREEMENT
COUNTY OF VENTURA AND CITY OF OXNARD

THIS AGREEMENT is made by and between the COUNTY OF VENTURA, hereinafter referred to as the County, and the CITY OF OXNARD, hereinafter referred to as the City.

RECITALS

a. The City is desirous of contracting with the County for the performance of animal services described herein by the County.

b. The County is agreeable to rendering such services on the terms and conditions set forth in this Agreement.

1.0 AGREEMENT TO PROVIDE SERVICES UNDER STATE AND LOCAL STATUTES

1.1 The County agrees, through its Animal Services Division (“Animal Services”), to provide animal services to the City as set forth herein and in the attached Service Level Request (Attachment A), as it may be amended by the parties from time to time.

1.2 Such services shall comply with applicable County ordinances, the municipal code of the City and the statutes of the State of California. The County will provide only those services set forth in the attached Service Level Request.

2.0 ADMINISTRATION OF PERSONNEL

2.1 All City employees who work in conjunction with Animal Services pursuant to this Agreement shall remain employees of the City and shall not have any claim or right to employment, civil service protection, salary, or benefits or claims of any kind from or against the County based on this Agreement. The County shall not be called upon to assume any liability for the direct payment of any salaries, wages, or other compensation to any City personnel performing services hereunder. The County shall not be liable for compensation or indemnity to any City employee or agent of the City for injury or sickness arising out of his or her employment.

2.2 All County employees who perform services for the City pursuant to this Agreement shall remain employees of the County and shall not have any claim or right to employment, civil service protection, salary, or benefits or claims of any kind from or against the City based on this Agreement. The City shall not be called upon to assume any liability for the direct payment of any salaries, wages, or other compensation to any County personnel performing services hereunder. The City shall not be liable for compensation or indemnity to any County employee or agent of the County for injury or sickness arising out of his or her employment.

3.0 AMENDMENT OF SERVICE LEVEL REQUEST FORM

3.1 The County agrees to provide to the City a proposed Service Level Request form to complete and submit annually to the County, by no later than March 1st, for the upcoming contract year commencing July 1st. By no later than April 15th, the parties shall agree to the terms of the Service Level Request for the upcoming contract year, unless an alternate date is mutually agreed upon by both parties in writing. The Service Level Request for the upcoming contract year shall be signed by both parties and attached to this Agreement as an amendment. If the parties fail to reach agreement on the terms of the Service Level Request by May 1st, this Agreement shall expire at the end of the then current contract year.

4.0 PERFORMANCE OF AGREEMENT

4.1 The County shall furnish and supply all labor, supervision, equipment, communication facilities, and supplies necessary to maintain the agreed level of service to be rendered hereunder.

4.2 Notwithstanding the foregoing, the City may provide additional resources for the County to utilize in performance of the services.

4.3 The County, in its sole and exclusive discretion, shall determine the specific days and specific hours that any County animal shelter shall be open to the public and the staffing of the County animal shelters; however, the County will open its animal shelters to the public on at least five calendar days per week. The County will notify the City regarding any changes in hours and days that its animal shelters are open to the public.

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5.0 INDEMNIFICATION

5.1 The County shall defend, indemnify and hold harmless City, its agents, officials, officers, representatives and employees from and against all claims, lawsuits, liabilities or damages arising from the sole and exclusive negligence of the County, its agents, employees, and subcontractors, and employees thereof in the performance or nonperformance of this Agreement.

5.2 The City shall defend, indemnify and hold harmless County, its agents, officials, officers, representatives and employees from and against all claims, lawsuits, liabilities or damages arising from the sole and exclusive negligence of the City, its agents, employees, and subcontractors, and employees thereof in the performance or nonperformance of this Agreement.

5.3 Each party agrees to provide the indemnifying party with written notification of any claim under paragraph 5 of this Agreement within thirty (30) calendar days of notice thereof and shall cooperate with the indemnifying party in the defense of the claim.

5.4 Each party's right to, and responsibility for, indemnification shall survive the termination of this Agreement.

6.0 TERM OF AGREEMENT

6.1 Unless sooner terminated as provided for herein, this Agreement shall be effective July 1, 2022, and shall remain in effect until June 30, 2025.

6.2 Upon mutual agreement of the parties, this Agreement may be renewed for up to five (5) successive periods of one (1) year each.

7.0 RIGHT OF TERMINATION

7.1 This Agreement may be terminated at any time, with or without cause, by either party upon written notice given to the other party at least ninety (90) days before the date specified for such termination.

7.2 In the event of a termination, each party shall fully discharge all obligations owed to the other party accruing prior to the date of such termination (including, but not limited to, payment for services already rendered), and each party shall be released from all obligations which would otherwise accrue subsequent to the date of termination.

8.0 RATES FOR SERVICES AND CREDIT FOR REVENUES

8.1 The City shall pay for the services provided under the then current Service Level Request (Attachment A) in accordance with the provisions thereof.

8.2 The rates and fees indicated in the Service Level Request shall be readjusted by the County annually effective the first day of July each year to reflect the reasonable average cost of such service in accordance with the policies and procedures for the determination of such rates and fees as adopted by the County Board of Supervisors and in compliance with Government Code section 54985.

8.3 The County shall credit the City with the following revenues paid by City residents toward the amounts owed by the City for services provided under the City's Service Level Request in Attachment A: revenues received from City animal licenses (less applicable license processing fees); revenues from redemption fees (consisting of impound fees, board fees, quarantine fees, and microchipping fees) paid by the City's residents if the animal is redeemed within the first three days of an animal stay each time an animal is admitted to a County shelter; revenues from barking dog citations paid by City residents; and revenues from administrative citations and civil penalties paid by City residents (less administrative processing costs).

8.4 The County shall retain any of the following fees paid by City residents without crediting such fees toward the amounts owed by the City for services provided under the City's Service Level Request in Attachment A: revenues from redemption fees (consisting of impound fees, board fees, quarantine fees, and microchipping fees) paid by City residents for any day after the first three days of an animal stay each time an animal is admitted to a County shelter and including, but not limited to, when fees are ordered be paid by the court or by an administrative hearing officer for dogs determined to be potentially dangerous or vicious; adoption fees; spay/neuter fees (and other veterinary fees for services); copying fees; return check charges; euthanasia and disposal fees; pickup and disposal of dead animal fees; cremation fees; owner relinquishment of animal fees; capture and transport fees; license fees for other than dog and cat licenses;

permit fees; inspection fees; and other fees paid by City residents and not required to be credited to the City under section 8.3.

8.5 In the event that a City dog owner establishes the dog owner's financial inability to pay costs for an administrative review of a citation or an administrative hearing deposit, the County will invoice the City to pay the rates and fees approved by the County Board of Supervisors for such charges and the City agrees to pay such charges.

9.0 ATTORNEY FEES AND COSTS

9.1 In the event of any litigation (including, but not limited to, any petition filed by the County Animal Services Director to be heard by an administrative hearing officer or by the court regarding whether a dog is potentially dangerous or vicious for an animal residing within the jurisdictional limits of the City, or any appeal therefrom, when both County and City have agreed to the County Animal Services Director filing such petitions in the parties' service level request, a petition for writ of mandate under Code of Civil Procedure section 1085 or 1094.5) arising in any way from this Agreement (including, but not limited to, any Service Level Request), or the services provided under this Agreement (except for any litigation between the County and the City), the City shall pay or reimburse the County for all reasonable attorney fees and costs incurred by the County in connection with the litigation, including, but not limited to, attorney fees and costs incurred by the County on behalf of a hearing officer. In the event of any litigation between the City and the County, each party shall bear its own attorney fees and costs. The City's obligations under this paragraph shall survive the termination of this Agreement.

10.0 PAYMENT PROCEDURES

10.1 The County shall invoice the City during October for services performed during the period July 1 through September 30; during January for services performed during the period October 1 through December 31; during April for services performed during the period January 1 through March 31; and during July for services performed during the period April 1 through June 30; and the City shall pay the County all undisputed amounts within thirty (30) days after the date of said invoice.

10.2 If such payment is not delivered to the County office which is described on said invoice within sixty (60) days after the date of the invoice, the County is entitled to recover interest thereon. For all disputed amounts, the City shall provide County with written notice of the dispute including the invoice date, amount, and reasons for dispute within thirty (30) days after receipt of the invoice. The parties shall memorialize the resolution of the dispute in writing. For any disputed amounts, interest shall accrue if payment is not received within sixty (60) days after the dispute resolution is memorialized.

10.3 Interest shall be calculated at the rate of two percent (2%) annually or any portion thereof, calculated from the last day of the month in which the services were performed, or in the case of disputed amounts, calculated from the date the resolution was memorialized.

11.0 RECORD RETENTION

10.1 The County shall maintain adequate financial records during the term of this Agreement to document its cost of providing services under this Agreement. The County shall retain financial records for a period of seven (7) years after payment for services under this Agreement, and shall make such financial records available for inspection to the City, or the City's designee, upon reasonable notice. The City shall ensure such records are handled in a manner consistent with all applicable privacy laws and all laws related to public records.

12.0 NOTICES

12.1 All notices (excluding invoices) required by, or related to, this Agreement shall be in writing and sent by certified mail, return receipt requested, postage prepaid and addressed as listed below. Neither party to this Agreement shall refuse to accept such mail; the parties to this Agreement shall promptly inform the other party of any change of address. All notices required by this Agreement are effective on the date of receipt, unless otherwise indicated herein. The mailing address of each party to the Agreement is as follows:

CITY:

City Manager
(attn: Alex Nguyen)
City of Oxnard
300 W. Third St.
Oxnard, California 93030

COUNTY Director, Animal Services
(attn: Jackie Rose)
600 Aviation Drive
Camarillo, California 93010

13.0 SEVERABILITY

13.1 If a court of competent jurisdiction declares any provision of this Agreement, or application thereof to any person or circumstances, to be unenforceable or in violation of law, the remaining provisions of this Agreement shall remain in full force and effect, and to that extent the provisions of this Agreement are severable.

14.0 WAIVER

14.1 Waiver of any default or breach of this Agreement shall not be considered a waiver of any subsequent default or breach, nor shall it be considered a modification of the terms of this Agreement.

15.0 ENTIRE AGREEMENT

15.1 This Agreement, including Attachment A hereto and any amendment thereof, constitutes the complete and exclusive statement of the parties which supersedes all previous agreements, written or oral, and all communications between the parties relating to the subject matter hereof. All changes or amendments to this Agreement must be in writing and mutually executed by authorized personnel on behalf of the City and the County.

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IN WITNESS WHEREOF, the County and the City enter into this Agreement as of the last date set forth below.

COUNTY OF VENTURA

Dated:__________________ By________________________
Jackie Rose, Director,
Animal Services

CITY OF OXNARD

Dated:__________________ By__________________________
Alex Nguyen, City Manager

ATTEST:

By__________________________ __________
City Clerk Date

APPROVED AS TO FORM:

By__________________________ __________
City Attorney Date

ATTACHMENT A TO COUNTY-CITY ANIMAL SERVICES AGREEMENT

COUNTY OF VENTURA

AND

CITY OF

OXNARD

FY 2022-2023 SERVICE LEVEL REQUEST

PART ONE: AVAILABLE SERVICES AND APPLICABLE BILLING RATES AND CREDITS

A. Animal Care Services

At the election of the City, the County shall provide the following services:

1. **Shelter Services**

As may be required, the County shall provide animal care services to the City for all animals originating within the boundaries of the City (whether picked up in the City or dropped off at the County's animal shelter) when there is a stray/abandoned animal, adoption return, confiscation, cruelty abuse or neglect investigation, or injured wildlife. The County will accept animals surrendered by their owners dependent upon shelter capacity. For animals originating in the City and impounded, the County shall provide the following animal care services: sheltering, boarding, animal adoptions, foster care coordination, veterinary care and treatment, bite quarantine, euthanasia services, and disposal of deceased animals. Impounded animals will be vaccinated and provided necessary care, food and shelter in accordance with the provisions of state law. The animal's picture will be posted on the Ventura County Animal Services Division's ("Animal Services") website as soon as practicable to assist the City's residents in reclaiming a missing pet. The County will also provide, based upon availability of funding and resources, owner requested euthanasia, TNR (Trap, Neuter, Return) surgeries for community cats, and Pet Retention programming. These services will not result in the animal being impounded to the shelter. The County, in its sole and exclusive discretion, shall determine the public and non-public hours of operation and the staffing of the County animal shelters.

The owner or person entitled to the custody of any animal originating within the boundaries of the City and impounded at a County animal shelter can redeem such animal by paying applicable fees according to the rates and fees approved by the County Board of Supervisors accruing up to the time of such redemption.

The City shall be charged for its proportion of the total County animal care service costs incurred during the fiscal year identified above as set forth below. The County shall bill the City on a quarterly basis for animal care services based on a weighted three (3) calendar year average of the City's pro rata animal intake percentage, as follows:

> *The three (3) year weighted average will be calculated so that fifty percent (50%) of the rate is based on the City's previous calendar year pro rata animal intake percentage relative to the usage by other cities and unincorporated areas of Ventura County, twenty-five percent (25%) of the rate is based on the City's pro rata animal intake percentage from two (2) years prior and twenty-five percent (25%) of the rate is based on the City's pro rata animal intake percentage from three (3) years prior, illustrated as follows:*

Example:

Hypothetical animal care budget: **$6,027,354**
Camarillo: (10.4% * .50) + (9.9% * .25) + (10.4% * .25) = **10.3%**
Future year cost = 10.3% of $6,027,354 = **$620,817**
Payments of **$155,204** made quarterly which will be reduced by any licensing revenue

	2018 INTAKE		2017 INTAKE		2016 INTAKE		FUTURE YEAR WEIGHTED AVG
Camarillo	1174	10.4%	1223	9.9%	1109	10.4%	10.3%
Fillmore	198	1.7%	320	2.6%	192	1.8%	2.0%
Moorpark	283	2.5%	245	2.0%	321	3.0%	2.5%
Ojai	44	0.4%	109	0.9%	50	0.5%	0.5%
Oxnard	4112	36.3%	4196	34.1%	3947	37.2%	36.0%
Port Hueneme	409	3.6%	432	3.5%	470	4.4%	3.8%
Simi Valley	1360	12.0%	1363	11.1%	1306	12.3%	11.8%
Ventura	1249	11.0%	1555	12.6%	1253	11.8%	11.6%
County	2494	22.0%	2864	23.3%	1971	18.5%	21.5%
Total Intake	11323	100.0%	12307	100.0%	10619	100.0%	100.0%

The animal care budget will be allocated among the participating cities and the County based on the weighted three (3) calendar year animal intake percentage formula described above. The County's animal care budget shall follow the following three (3) year fixed-rate schedule:

$6,741,010.13 for fiscal year 2022-2023 (contract year 1)
$7,078,060.63 for fiscal year 2023-2024 (contract year 2)
$7,431,963.67 for fiscal year 2024-2025 (contract year 3)

In addition to the animal care formula charged to the participating cities, in the event of any animal intake at a County animal shelter originating from the City due to any law enforcement request, pending court case (including, but not limited to, a criminal case, a petition for writ of mandate under Code of Civil Procedure section 1085 or 1094.5, and a petition for hearing regarding whether a dog is potentially dangerous or vicious under Food and Agriculture Code section 31621, or related provisions of City Ordinance), or a court stay, which results in a County shelter stay of more than fifteen (15) days, the County shall also charge the City for animal care services according to the rates and fees approved by the County Board of Supervisors for each day that each such animal receives animal care services, and any fees have not been paid by the dog owner within 30 days of the County's invoice for services being mailed to the dog owner.

2. **<u>Petitions for Hearing to Determine Dogs to be Potentially Dangerous or Vicious</u>**

For any dog impounded to the shelter, the Animal Services Director may bring petitions for hearing to determine dogs residing within the jurisdictional limits of the City to be potentially dangerous or vicious under state law and/or City Ordinance Code. In connection with such petitions, the City shall pay the County according to the rates and fees approved by the County Board of Supervisors for County employee time expended (and including but not limited to, the attendance at hearing of County employees; legal services performed by the Office of County Counsel; and any services provided by an administrative hearing officer). If the County retains the services of an administrative hearing officer who is not a County employee, the City agrees to reimburse the County at the administrative hearing officer's customary hourly rate. If the dog owner appeals any determination that a dog is potentially dangerous or vicious, the City shall pay the County according to the rates and fees approved by the County Board of Supervisors for the attendance at the appeal hearing of County employees and the legal services performed by the Office of County Counsel in connection with such an appeal.

3. **Rabies Suppression Record Management**
The County shall provide the City with rabies control activity reporting as required by State Law.

B. Field Services

At the election of the City, the County shall provide the City with the following field services consistent with County Ordinance and State Law.

For City Ordinance Code provisions that are consistent with County Ordinance Code and State law, animal control officers may issue citations (administrative or notice to appear) for violations observed by animal control officers while in the field (and including, but not limited to, citations issued for: failure to license, barking dog nuisance, failure to vaccinate, violation of leash laws, violation of mandatory spay/neuter, violation of animal nuisance orders, and breeding of animals without required permits). The City will be solely responsible for collection of the citation amounts and processing of any administrative appeals from these citations issued by animal control officers in the field. The County will not be responsible for collections or processing administrative appeals from citations issued in the field and/or citations in which the animal owner is provided notice to appear in court.

The County will provide, consistent with County Ordinance and State Law, response and investigation of reported animal bite and intimate contact cases to establish that there is compliance with state-mandated quarantine procedures. This includes a follow-up visit to verify the health of the animal after quarantine. Shelter quarantine will be at the discretion of the County.

The County shall charge the City according to the rates and fees approved by the County Board of Supervisors for County employee time expended in providing field services. The City shall identify a budgeted amount for field services per fiscal year, as well as the average budgeted level of hours of service that the City authorizes the County to provide per week. The County shall notify the City in writing on a quarterly basis regarding actual hours expended for field services to the City, to enable the City to make the determination of whether the City wishes to authorize in writing a higher budgeted annual amount for field services that are not state-mandated. The County will provide the City state-mandated field services, and the City agrees to pay the County's costs for all state-mandated field services, whether or not the City's budgeted amount or hours for field services have been exceeded. The County shall be under no obligation to provide the City with any non-state-mandated field services in excess of the City's budgeted cost and hours, in the absence of prior written City authorization to do so.

The County will issue barking dog citations to owners of dogs residing within the jurisdictional limits of the City upon the required showing being made under City ordinance regarding the existence of a barking nuisance. The County shall charge the City according to the rates and fees approved by the County Board of Supervisors for County employee time expended in reviewing and responding to complaints regarding barking dog nuisances in the jurisdictional limits of the City, regardless of whether a barking nuisance citation is ultimately issued. Once a citation is issued, the dog owner will be responsible for paying the County's standard fee for any administrative review of a citation, as well as paying any required hearing deposit to request an administrative hearing to contest the citation, unless the dog owner establishes to the County the dog owner's financial inability to pay, in which case, the City shall reimburse the County according to the rates and fees approved by the County Board of Supervisors for County employees providing services based on the time expended per hearing; and if the County retains the services of an administrative hearing officer who is not a County employee, the City agrees to reimburse the County for hearing officer services rendered at the administrative hearing officer's customary hourly rate.

In the event the City declines to have the County perform field services and transports an animal the shelter for care, the City shall be responsible for:

(i) Scanning animals for an existing microchip and making all efforts to reunite a lost animal with its owner based on any microchip information prior to transporting that animal to a County shelter;
(ii) Making all efforts to use information available from any animal's personal ID tag or a pet license to reunite a lost animal with its owner prior to transporting that animal to a County shelter;
(iii) Vaccinating an animal with current standard vaccinations provided by Animal Services after an animal has been transported to a County shelter; and
(iv) Taking a digital photograph of an animal and loading the digital photograph and other pertinent animal information onto Animal Services' computer information system for tracking animals subject to impoundment after an animal has been transported to a County shelter.

C. Administrative Services

1. Animal License Processing per License

At the election of the City, the County and/or the County's vendor shall provide the City with animal license processing services at the annual fiscal year cost of six dollars ($6.00) per applicable cat or dog license for each animal within the boundaries of the City. The County and/or the County's vendor shall mail license renewal notices to the animal owner of record; and when the renewal and payment are received, the County will process licenses. If the County and/or the County's vendor provides online web-licensing, it shall provide such web-licensing at no additional cost to the City. Licenses will be required before the County will release an animal to a resident of the City. The City animal license fees that the County and/or the County's vendor collects (less the amount of the County's license processing fee of six dollars ($6.00)) will be credited to the City quarterly in arrears against the amount that the City owes the County under the parties' animal services agreement.

2. Automated Administrative Citation Processing

At the election of the City, and consistent with City Ordinance Code provisions, the County and/or the County's vendor shall provide the City with an automated citation service for citations related to licensing, vaccination, (and, if applicable, mandatory spay/neuter) issued to animal owners within the boundaries of the City. If the County reaches a determination, in its sole and exclusive discretion, that it no longer desires to provide an automated citation service to the City (either directly by the County or through the County's vendor), the County shall provide the City with sixty (60) days' prior written notice before ceasing to provide such services.

The County and/or the County's vendor will provide the following automated citation processing service to the City contingent upon the City's reimbursement of actual County costs incurred, and including, but not limited to:

a. actual costs charged to the County by the County's General Services Agency for mailing and processing of citations and the cost of one (1) hour per month for the services of a Field Services Manager/Citations Clerk): generate auto citations in Chameleon software; send files to the General Services Agency for processing; receive and review auto citation files from the General Services Agency to ensure accuracy; send reviewed and completed files to the General Services Agency for processing and mailing to animal owners; receive and store finalized PDF file from the General Services Agency; generate email notification to the City's staff with PDF files for further collection and appeals; receive, through a Supervising Animal Control Officer, communication from City staff regarding citizen appeals when necessary; and receive updates from the City regarding customer data to be updated, with the County updating data in Chameleon software; or
b. actual costs charged to the County by the County's vendor for mailing and processing of citations and issuing any required licenses; generating email notifications to the City's staff with PDF files for further collections and appeals; receiving communication from City staff regarding citizen appeals when necessary; and receiving updates from the City regarding customer data to be updated.

To the extent that such services are not provided by the County and/or the County's vendor, the County will not be responsible for collections or processing administrative appeals from automated citations. The City will be solely responsible for collections and for processing any administrative appeals once automated citations are issued to animal owners.

3. <u>Animal Services Data Management Software Read-Only Access Rights</u>

At the election of the City, the City may have read-only access to VCAS' Chameleon Software system, therefore allowing the City to have real-time information regarding cases related to their jurisdiction.

PART TWO: SPECIFIC SERVICE REQUESTS AND APPROVALS

The County will provide the City with the services authorized below:

<u>Animal Care Services</u>:

X The City authorizes the County to provide animal care services for animals originating within the boundaries of the City during fiscal year 2022-2023 according to the terms and conditions set forth in Part One of this Agreement. The budgeted cost of animal care services for the City will be $2,669,598.97 for fiscal year 2022-2023. In addition to the budgeted amount, as more fully set forth in Part One above, the City will also pay the County, according to rates and fees approved by the County Board of Supervisors for: (1) animal care services associated with County shelter stays of more than fifteen (15) days; (2) for County employee time expended in connection with petitions brought by the Director of Animal Services to determine whether dogs residing in the jurisdictional limits of the City are potentially dangerous or vicious, and (3) for County employee time expended in connection with any appeals from such determinations. In addition, if an administrative hearing officer is not a County employee, the City agrees to reimburse the County's costs for administrative hearing officer time at the administrative hearing officer's customary hourly rate. Consistent with Section 8.3 of the parties' Animal Services Agreement, the County shall credit the City with revenues paid by City residents toward amounts owed by the City for services provided.

Field Services:

□ The City authorizes the County to provide budgeted field services during fiscal year 2022-2023 of _____________; with field services budgeted at ________ hours per week, to be provided by the County to the City, according to the terms and conditions set forth in Part One. If it appears that the City may exceed its budgeted cost and hours for field services: (i) the County will continue to provide additional state-mandated services to the City, and the City agrees to pay for those additional state-mandated services according to the rates and fees approved by the County Board of Supervisors, and (ii) the County will only provide further field services that are not state-mandated to the City upon receipt of City written approval for such services, and the City agrees to pay for all such services authorized in writing by City personnel. The City hereby agrees to the County's enforcement of the City's municipal code provisions in providing field services.

X The City authorizes the County to provide field services only for emergency calls (requests for an animal services officer by law enforcement or fire personnel, aggressive animal at large threatening the public, wild animal at large in City area, livestock at large and in sight, stray animal bite with the animal at large or confined by a non-owner) at a not to exceed amount of <u>1000 hours for the fiscal year</u>. This level of service is intended to provide emergency response on an as-needed basis from the County on behalf of a City that employs its own field services when requested by the City and the County is able to respond. The City hereby agrees to the County's enforcement of the City's municipal code provisions in providing field services.

□The City declines to have the County provide field services. Administrative Services:

Animal License Processing:

X The City authorizes the County and/or the County's vendor to provide animal license processing services for the City during fiscal year 2022-2023 according to the terms and conditions set forth in Part One.

X The City has adopted the license fees set forth in Animal Services' approved schedule of rates and fees.

□ The City has adopted the following license fees that differ from the license fees set forth in the Ventura County Animal Services approved schedule of rates and fees:

Specify:

Current City license fees were adopted by the City on ______________, 20_____.

□ The City declines to have the County provide animal license processing.

Automated Citation Service:

X The City authorizes the County and/or the County's vendor to provide automated citation processing services for the City during fiscal year 2022-2023 according to the terms and conditions set forth in Part One.

□ The City declines to have the County and/or the County's vendor provide automated citation processing services.

Animal Services Data Management Software (Chameleon) Read-Only Access Rights:

X The City requests read rights for Chameleon software and agrees to the actual County Information Technology Services Department VPN costs.

□ The City declines to have the County provide Chameleon read rights.

CITY OF OXNARD	COUNTY OF VENTURA
Signature:____________________	Signature:____________________
John C. Zaragoza, Mayor, City of Oxnard	Jackie Rose, Director of Animal Services
Date:________________________	Date:________________________

FY 21-22 Animal Safety Services Agreement

Public Safety Committee
May 10, 2022

Oxnard City Council
June 7, 2022

Marc Amon, Commander

CITY OF OXNARD CALIFORNIA

1. That the Community Services, Public Safety, and Economic Development Committee recommend the City Council approve a budget appropriation with a total cost projection in the amount of $2,156,159 and authorize the Mayor to sign a Service Level Request for FY 22-23 for the third year of a five-year agreement (A-8151) with the County of Ventura to provide animal safety services.

1. That the City Council approve a budget appropriation with a total cost projection in the amount of $2,156,159 and authorize the Mayor to sign a Service Level Request for FY 22-23 for the third year of a five-year agreement (A-8151) with the County of Ventura to provide animal safety services.

- Five-year services agreement with the County of Ventura was approved by City Council on June 2, 2020.

- Per the agreement, each year the Police Department is required to complete an agreement for the cost of the upcoming fiscal year.

Services provided by VCAS in Service Level Agreement:

- Animal Care Services
- On-Call and Emergency Field Services
- Animal License Processing

VCAS Shelter Services:

- Confiscation
- Boarding
- Impoundment
- Quarantine
- Veterinary services
- Request for euthanasia
- Animal adoptions
- Disposal of dead animals
- Post missing/found animal on their website
- Owner surrender
  - Assistance of Pet Retention Specialist

Impounded animals will be vaccinated, given necessary care, food, and shelter in accordance with state law.

- Will only respond when a City ASO is not available
- Will be on-call when forecasted
- Will respond to emergency situations or “as needed” when requested by police or fire personnel
- On-call standby and emergency response rate is $100/hour
- Emergency response examples:
  - Vicious animal at large threatening the public
  - Stray animal bite with the animal at large or confined by a non-owner
  - Injured animal

Animal License Processing:

- Process animal licenses for the City
- Send renewal notices to animal owners
- Animal owners will have access to renew animal licenses online
- License fees (minus $6 license processing fee) will be credited to the amount the City owes each quarter

AGREEMENT HISTORY

	VCAS Cost	% Difference
FY 17-18	$1,854,979	+9.8%
FY 18-19	$1,948,039	+5%
FY 19-20	$2,113,884	+8.5%
FY 20-21	$2,324,778	+9.9%
FY 21-22	$2,479,135	+6.6%
FY 22-23	$2,669,598	+7.7%

- Cost of the agreements reflect a percentage of the VCAS FY Budget

BILLING METHODOLOGY

- Still a percentage of the VCAS FY Budget
- A consortium of costs shared by the eight (8) contract cities and County
- Percentage is a 3-year weighted average of animal intakes
- No annual “true-ups”
- 5% built-in increase each year of the agreement
- Revenue is still a credit against amount owed on quarterly invoices

FY 21-22 AGREEMENT

	2019 Intake	2020 Intake	2021 Intake	3-Year Weighted Average	FY 22-23 Animal Care Cost
Camarillo	1,158 - 9.9%	536 - 9.9%	608-10.1%	9.98%	$672,736.93
Fillmore	235 - 2.0%	106 - 2.0%	102 -1.7%	1.84%	$123,710.53
Moorpark	364 - 3.1%	139 - 2.6%	119 - 2.0%	2.40%	$162,013.14
Ojai	82 - 0.7%	33 - 0.6%	38 - 0.6%	0.64%	$43,275.86
Oxnard	**4,340 - 37.1%**	**2,055 - 37.8%**	**2,377 - 39.4%**	**38.43%**	**$2,590,577.13**
Port Hueneme	413 - 3.5%	224 - 4.1%	267 - 4.4%	4.13%	$278,151.29
Simi Valley	1,327 - 11.3%	522 - 9.6%	570 - 9.5%	9.96%	$671,473.49
Ventura	1,355 - 11.6%	696 - 12.8%	716 - 11.9%	12.03%	$811,089.12
County	2,438 - 20.8%	1,120 - 20.6%	1,234 - 20.5%	20.59%	$1,387,982.64
Total Intake	**11,712**	**5,431**	**6,031**	**100%**	**$6,741,010.13**

FY 21-22 AGREEMENT

Shelter Services:	$2,590,577.13
Additional Projected Costs:	$77,821.84

- Emergency and On-Call Field Services, Animal License Processing Fees, Chameleon Access/Server Costs

Projected Cost of Agreement:	$2,668,399
Projected Revenue:	$512,240
Projected Net Cost of Agreement:	$2,156,159

CITY OF OXNARD CALIFORNIA

QUESTIONS

COMMUNITY SERVICES, PUBLIC SAFETY, HOUSING & DEVELOPMENT COMMITTEE AGENDA REPORT

REPORTS
AGENDA ITEM NO. D.2

DATE: May 24, 2022

TO: Community Services, Public Safety, Housing & Development Committee

FROM: Alexander Hamilton, Fire Chief, (805) 385-7700, alexander.hamilton@oxnard.org

SUBJECT: Purchase Order with Motorola for $777,385.26 for 73 Radios. (0/5/5)

RECOMMENDATION

That the Community Services, Public Safety, and Housing & Development Committee recommends that the City Council authorize the Mayor to sign a Purchase Order with Motorola Solutions in the amount of $777,385.26 for the purchase of thirty-three (33) APX 8500 all-band mobile radios and forty (40) APX 8000 all-band portable radios with spare batteries and remote speaker microphones.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/nOMbds7UZdY

BACKGROUND

The Oxnard Fire Department (OFD) dispatch services are provided by Ventura County Fire Protection District (VCFD) Fire Communications Center (FCC). FCC will be transitioning their communications from single band radios to all-band radios in the next two (2) to four (4) years. This will require OFD to replace all mobile and handheld portable radios in this timeframe in order to maintain our ability to be dispatched by FCC.

In anticipation of the radio conversion project, OFD submitted a successful grant application to the Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant (AFG) that will offset the cost of thirty-three (33) mobile radios. City Council approved the submission of this application on February 16, 2021, the award was announced on August 16, 2021. Mobile radios are mounted in emergency response apparatus and vehicles. The procurement of thirty-three (33) APX 8500 all-band radios, in the amount of $333,374.33, will allow for the replacement of mobile radios in frontline and reserve apparatus as well as command staff vehicles.

Additionally, on December 7, 2021, City Council approved $445,000 in American Rescue Plan Act (ARPA) funds to be designated to the radio replacement project. The funds will purchase forty (40) APX 8000 portable all-band radios. Portable radios are issued to each first responder at OFD with additional radios assigned to each apparatus. The procurement of forty (40) radios will allow replacement of portable radios assigned to Command Staff, Fire Prevention Staff, Company Officer positions and one radio on each front-line and reserve apparatus. Forty (40) additional APX 8000 handheld radios will be required prior to the FCC transition to all-band dispatch.

DISCUSSION

The Motorola APX 8500 has been selected as the all-band mobile radio of choice for interoperability and standardization purposes. The APX 8500 are the same mobile radios used by VCFD, allowing FCC to provide assistance with troubleshooting, repairs and reprogramming if needed. The APX 8500 all-band mobile radio expands the OFD capacity to operate with neighboring police and fire agencies. They also provide long term durability, are easily operated with current OFD radio training, provide for simple transitions between the different radio bandwidths and widen the ability for OFD communications equipment to be serviced and maintained.

Currently, the OFD utilizes the Motorola APX 6000 single band portable radio. The Motorola APX 8000 all-band portable radios are identical to the APX 6000 radios already in use with the exception of the increased all-band capability. Once FCC completes the transition to a new all-band dispatch system, all OFD radios will need all-band functionality to communicate with FCC. The identical operation of the APX 6000 and APX 8000 will be critical while both radios overlap in service over the next few years. Additionally, the Ventura County Fire Department is also transitioning to the use of APX 8000 handheld radios and will be able to assist with troubleshooting, repairs and programming if needed.

Pursuant to City of Oxnard Ordinance Number 2943, adopted June 19, 2018, the use of a “cooperative agreement”, whereby multiple government agencies, cooperative entities, or jurisdictions enter into a contract to procure from each other or to collectively procure a vendor, contractor or consultant is permitted. Seventy-three (73) radios will be purchased from Motorola Solutions based on cooperative agreement pricing provided by Houston-Galveston Area Council (“H-GAC”) contract number RA05-21, valid August 1, 2021 through July 31, 2023. The agreement provides a 27% discount off list prices for participating agencies.

STRATEGIC PRIORITIES

This agenda item supports Public Safety strategy. The purpose of the Public Safety strategy is to restore and modernize the delivery of public safety services to provide for the safety of our neighborhoods and health of our community.

FINANCIAL IMPACT

FEMA AFG FY20 (Grant No. 772296) will fund $6,000 per mobile radio plus tax and shipping for the amount of $205,227. A local match of $128,507.33 is required to procure thirty-three (33) APX 8500 mobile radios. Matching funds are available from the Fire Department general fund account 101-2201-802.87-33 Transfer to Grant Fund. The remaining forty (40) APX 8000 portable radios will be funded by ARPA Project 22AR61 Fire SCBA & Radios, an estimated total f $443,65093.

Prepared by: Aaron Baker, Battalion Chief and Amy Van Atta, Management Analyst II

ATTACHMENTS

1. Motorola PO Presentation
2. Quote APX 8500
3. Quote APX 8000

Motorola Solutions Purchase Order

Alexander Hamilton, Fire Chief

Recommendation:

That the Community Services, Public Safety, Housing & Community Development Committee recommend that City Council authorize the Mayor to sign a purchase order with Motorola Solutions in the amount of $777,385.26 for thirty-three (33) APX 8500 all-band mobile radios and forty (40) APX 8000 all-band portable radios.

Background:

- Oxnard Fire Department (OFD) is dispatched by Ventura County Fire Protection District Fire Communications Center (FCC)
- FCC will transfer dispatch services to all-band radios in the next two to four years
- OFD will be required to replace all mobile and portable radios to continue receiving communications from FCC

VENTURA FIRE EST. 1928 COUNTY

Motorola Solutions Purchase Order

Assistance to Firefighters Grant federal funds of $205,227 for mobile radios.

U.S. Department of Homeland Security

Assistance to Firefighters Grant Program

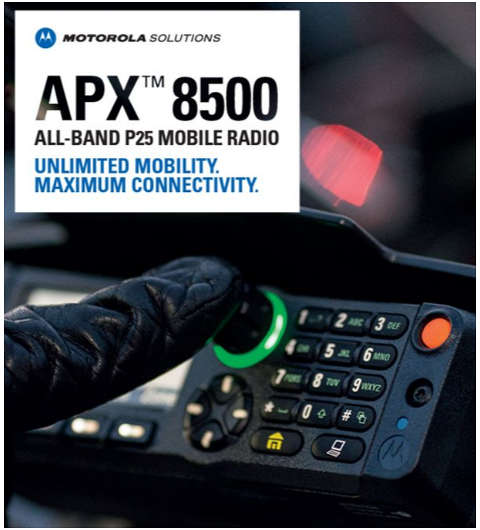
FEMA

Assistance to Firefighters Grant

American Rescue Plan Act funds of $445,000 for portable radios.

Motorola APX 8500 all-band mobile radios:

- Thirty-three (33) radios
- Mounted in emergency response apparatus and vehicles
- $333,734.33



Motorola Solutions Purchase Order

Motorola APX 8000 all-band portable radios:

- Forty (40) radios
- Assigned to command staff and response apparatus
- $443,650.93

Why Motorola APX 8000 and APX 8500?

- Interoperability
- Regional standardization
- Quality product
- Operationally same as APX 6000 portable radios

Procurement procedure:

- Cooperative agreement
- Allowable per City of Oxnard Ordinance Number 2943
- Houston-Galveston Area Contract RA05-21
- 27% discount

HGACBuy
THE SMART PURCHASING SOLUTION

Motorola Solutions Purchase Order

Fiscal Impact:

$205,227	Federal funds from FEMA AFG FY20
$128,507	Local matching funds from general fund
$443,650	American Rescue Plan Act funds

CITY OF
OXNARD
CALIFORNIA

MOTOROLA SOLUTIONS

QUOTE-1689368

Billing Address:
OXNARD FIRE DEPT, CITY OF
360 W SECOND ST
OXNARD, CA 93030
US

Quote Date:05/04/2022
Expiration Date:08/04/2022
Quote Created By:
Mark Streker
Mark.Streker@
motorolasolutions.com
805-249-8391

End Customer:
OXNARD FIRE DEPT, CITY OF

Contract: 17724 - HGAC (TX)

Line #	Item Number	Description	Qty	List Price	Sale Price	Ext. Sale Price
	APX™ 8500					
1	M37TSS9PW1AN	APX8500 ALL BAND MP MOBILE	33	$5,667.00	$4,136.91	$136,518.03
1a	GA09007AA	ADD: OUT OF THE BOX WIFI PROVISIONING	33	$0.00	$0.00	$0.00
1b	G851AG	ADD: AES/DES-XL/DES-OFB ENCRYP APX AND ADP	33	$879.00	$641.67	$21,175.11
1c	G996AS	ENH: OVER THE AIR PROVISIONING	33	$110.00	$80.30	$2,649.90
1d	GA00580AA	ADD: TDMA OPERATION	33	$495.00	$361.35	$11,924.55
1e	G51AT	ENH:SMARTZONE	33	$1,650.00	$1,204.50	$39,748.50
1f	G142AD	ADD: NO SPEAKER APX	33	$0.00	$0.00	$0.00
1g	G78AT	ENH: 3 YEAR ESSENTIAL SVC	33	$176.00	$176.00	$5,808.00
1h	GA01606AA	ADD: NO GPS/WI-FI ANTENNA NEEDED	33	$0.00	$0.00	$0.00
1i	GA09001AA	ADD: WI-FI CAPABILITY	33	$330.00	$240.90	$7,949.70
1j	G298AS	ENH: ASTRO 25 OTAR W/ MULTIKEY	33	$814.00	$594.22	$19,609.26
1k	G89AC	ADD: NO RF ANTENNA NEEDED	33	$0.00	$0.00	$0.00

Line #	Item Number	Description	Qty	List Price	Sale Price	Ext. Sale Price
1l	G444AH	ADD: APX CONTROL HEAD SOFTWARE	33	$0.00	$0.00	$0.00
1m	GA01517AA	DEL: NO J600 ADAPTER CABLE NEEDED	33	$0.00	$0.00	$0.00
1n	G806BL	ENH: ASTRO DIGITAL CAI OP APX	33	$567.00	$413.91	$13,659.03
1o	G361AH	ENH: P25 TRUNKING SOFTWARE APX	33	$330.00	$240.90	$7,949.70
1p	G67EH	ADD: REMOTE MOUNT E5 MP	33	$327.00	$238.71	$7,877.43
1q	GA01670AA	ADD: APX E5 CONTROL HEAD	33	$717.00	$523.41	$17,272.53
1r	QA01622AH	ADD: FPS APX TEST TRIGGER - SW VALIDATION	33	$0.00	$0.00	$0.00
1s	QA01622AE	ADD: IC TRIGGER	33	$0.00	$0.00	$0.00
1t	G53AL	ADD: FPP & CLONE APX	33	$165.00	$120.45	$3,974.85
1u	GA01620AA	ADD: MULTI SYSTEM OTAR	33	$165.00	$120.45	$3,974.85
1v	G892AB	ENH:HAND MIC,GCAI WTR RESISTANT APX	33	$79.00	$57.67	$1,903.11
1w	GA09000AA	ADD: DIGITAL TONE SIGNALING	33	$165.00	$120.45	$3,974.85

Subtotal	$416,988.00
Total Discount Amount	$111,018.60
Estimated Tax	$27,764.93
Grand Total	**$333,734.33(USD)**

Notes:

MOTOROLA SOLUTIONS

QUOTE-1703941

Billing Address:
OXNARD FIRE DEPT, CITY OF
360 W SECOND ST
OXNARD, CA 93030
US

Quote Date:05/04/2022
Expiration Date:08/04/2022
Quote Created By:
Mark Streker
Mark.Streker@
motorolasolutions.com
805-249-8391

End Customer:
OXNARD FIRE DEPT, CITY OF

Contract: 17724 - HGAC (TX)

Line #	Item Number	Description	Qty	List Price	Sale Price	Ext. Sale Price
	APX™ 8000 Series	APX8000XE				
1	H91TGD9PW7AN	APX 8000 ALL BAND PORTABLE MODEL 3.5	40	$7,475.00	$5,456.75	$218,270.00
1a	Q806CB	ADD: ASTRO DIGITAL CAI OPERATION	40	$567.00	$413.91	$16,556.40
1b	Q361AN	ADD: P25 9600 BAUD TRUNKING	40	$330.00	$240.90	$9,636.00
1c	QA02006AC	ENH: APX8000XE RUGGED RADIO	40	$880.00	$642.40	$25,696.00
1d	Q58AL	ADD: 3Y ESSENTIAL SERVICE	40	$121.00	$121.00	$4,840.00
1e	QA00580AA	ADD: TDMA OPERATION	40	$495.00	$361.35	$14,454.00
1f	QA03400AA	DEL: FCC NARROWBANDING MANDATE	40	$0.00	$0.00	$0.00
1g	Q53AF	ADD: FRONT PANEL PROGRAMMING & CLONING	40	$165.00	$120.45	$4,818.00
1h	Q498AU	ENH: ASTRO 25 OTAR W/ MULTIKEY	40	$814.00	$594.22	$23,768.80
1i	H38BS	ADD: SMARTZONE OPERATION	40	$1,650.00	$1,204.50	$48,180.00
1j	Q629AH	ENH: AES ENCRYPTION AND ADP	40	$523.00	$381.79	$15,271.60

Line #	Item Number	Description	Qty	List Price	Sale Price	Ext. Sale Price
1k	QA01427AG	ALT: APX8000/XE HOUSING GREEN	40	$28.00	$20.44	$817.60
2	PMMN4107C	AUDIO ACCESSORY-REMOTE SPEAKER MICROPHONE,XE500 REMOTE SPKR MIC WITHOUT CHANNEL KNOB, HIGH IMPACT GREEN	40	$594.00	$445.50	$17,820.00
3	PMNN4504A	BATT IMPRES 2 LIION UL2054 DIV2 R IP68 3400T	40	$212.30	$159.23	$6,369.20

Subtotal	$554,172.00
Total Discount Amount	$147,674.40
Estimated Tax	$37,153.33
Grand Total	**$443,650.93(USD)**

Notes:

Motorola Solutions, Inc.: 500 West Monroe, United States - 60661 ~ #: 36-1115800

COMMUNITY SERVICES, PUBLIC SAFETY, HOUSING & DEVELOPMENT COMMITTEE AGENDA REPORT

REPORTS
AGENDA ITEM NO. D.3

DATE: May 24, 2022

TO: Community Services, Public Safety, Housing & Development Committee

FROM: Emilio Ramirez, Housing Director, (805) 385-8094, emilio.ramirez@oxnard.org

SUBJECT: United States Department of Housing and Urban Development's Role in addressing the Housing Crisis & Homelessness. (0/15/10)

RECOMMENDATION

That the Community Services, Public Safety, and Housing & Development Committee:

1. Receive a Report on the United States Department of Housing and Urban Development's Housing Choice Voucher Programs progression over time to respond to changing housing needs; and

2. Direct staff to prepare and present to the Oxnard Housing Authority Board of Commissioners a comprehensive proposal to respond to the housing crisis with a homeless services program inclusive of the continued solicitation of special purpose vouchers, future voucher project-based commitments and adoption of a local preference in support of homeless individuals.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/Vf3ZJzqnveE

BACKGROUND

EXECUTIVE SUMMARY

The United States Department of Housing and Urban Development (HUD) Housing Choice Voucher Program (HCV) is a key tool to addressing the housing crisis and is in alignment with a Housing First model the City Council formally supported in July of 2021. Housing First is based on the simple idea that housing paired with supportive services can more successfully lead to recovery from homelessness. This model can be implemented in several ways including with the provision of housing by use of a housing choice voucher which is then paired with in unit supportive services.

The idea of combining supportive services with a housing voucher is the basic tenet of many of the special purpose vouchers which will be described in this report. Having acknowledged the benefits of a Housing First model, HUD encourages the use of housing vouchers for homeless services.

The Oxnard Housing Authority has 1,840 vouchers, and a waiting list of more than 5,700. The 2022 Point in Time Homeless Count (PIT) identified 793 homeless persons, 463 of which were unsheltered. This is an increase in the numbers of individuals experiencing homelessness in Oxnard. There was not an unsheltered PIT in 2021 due to COVID restrictions.

In alignment with the Housing First model and HUDs mission to assist very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market, staff amended the 2021 Annual Agency plan to project base twenty five Veteran Assisted Supportive Housing Vouchers and forty Mainstream Vouchers. In addition, to further this mission staff is seeking Board of Commissioners concurrence and approval to:

1. Pursue special purpose vouchers; and
2. Amend the HCV Program Administrative Plan to include a local Homeless Preference.

These recommendations are an efficient and effective way to address the housing crisis by immediately increasing the number of affordable units and providing supportive services to individuals once they are housed.

This report will provide a brief history of HUD and an overview of the HCV program, as well as recommendations on opportunities to utilize this program in support of the Housing First Model to address the housing crisis.

BACKGROUND

Congress enacted the Housing Act in 1937 establishing the United States Housing Authority for "the provision of decent, safe, and sanitary dwellings for families of low income" among other purposes. In doing so, the United States started offering public housing opportunities.

Soon thereafter, housing policies in the United States changed in order to reflect the changing needs of the population including the Housing Act of 1949, the Civil Rights Act (Fair Housing Act) of 1965, and finally the Housing and Community Development Act which created the HCV program (or most commonly known as the Section 8 program). The largest component of today's HCV program was first authorized by the Housing and Urban-Rural Recovery Act of 1983. It was originally a demonstration program, but was made permanent in 1988. During this period of transition, the United States Housing Authority became the independent cabinet department of Housing and Urban Development. The responsibility to operate the Public Housing and HCV programs was assumed by local public housing authorities, where funding for program operations was granted by HUD.

The HCV program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments. The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects. In short, the subsidy is tied to the family, rather than to a unit of housing.

Housing choice vouchers are administered locally by public housing authorities who receive federal funds from HUD to administer the HCV program. A family that is issued a housing choice voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. Rental units must meet minimum health and safety standards.

A housing subsidy is paid to the landlord directly by the local public housing authority on behalf of the participating household. The household then pays the difference between the actual rent charged by the landlord and the amount subsidized by the HCV program.

Program regulations are found in 24 CFR Part 982.

THE HOUSING CHOICE VOUCHER PROGRAM

Since the beginning of housing public policy, HUD has been responsive to the changing needs of the community including very clear shifts from public housing to the HCV program because of demonstrated need to deconcentrate poverty and offering fair housing choices to impoverished households. Today, the HCV Program offers seven types of special voucher programs, all of which can help Oxnard address the housing crisis and support the Housing First Model. First, this report will define the types of vouchers and how Oxnard is utilizing the vouchers, and then make recommendations on additional ways Oxnard can utilize vouchers to address the housing crisis and implement the Housing First Model.

Special Population Housing Choice Voucher Programs

Emergency Housing Vouchers	Non-Elderly Disabled
Family Unification Program	Tenant Protection Vouchers
Foster Youth to Independence Initiative	Veterans Affairs Supportive Housing
Mainstream Vouchers	

Emergency Housing Vouchers

The Emergency Housing Voucher (EHV) program is available through the American Rescue Plan Act (ARPA). Through EHV, HUD is providing 70,000 housing choice vouchers to local public housing authorities in order to assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability.

(https://www.hud.gov/ehv).

The Oxnard Housing Authority was awarded a total of forty-six EHV vouchers and partnered with the Ventura County Continuum of Care to establish a formal referral process and with United Way's Forward Home program to offer housing navigation support. Several of the families referred for the program will be able to lease in place. Without the EHV vouchers, their current subsidized assistance will terminate and they will be homeless in the very near future. EHV is not funded through the same funds as the HCV program and utilization has a positive impact (meaning it is in addition to the 1,840 Section 8 or HCV program the Authority currently operates) on the agency's overall utilization success rate.

As of the date of drafting of this report, of the forty-six EHV vouchers, sixteen have been issued.

Family Unification Program Vouchers

The Family Unification Program (FUP) is a program under which vouchers are issued to two different populations including:

1. Families for whom the lack of adequate housing is a primary factor in:

   a. The imminent placement of the family's child or children in out-of-home care, or

   b. The delay in the discharge of the child or children to the family from out-of-home care.

2. For a period not to exceed thirty-six months, otherwise eligible youths who have attained at least eighteen years and not more than twenty-four years of age and who have left foster care, or will leave foster care within ninety days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act, and

is homeless or is at risk of becoming homeless at age sixteen or older.

Public housing authorities administer the FUP in partnership with Public Child Welfare Agencies (PCWAs) who are responsible for referring FUP families and youths to the public housing authority for determination of eligibility for rental assistance. Once the PCWA makes the referral the public housing authority places the FUP applicant on its waiting list, determines whether the family or youth meets HCV program eligibility requirements, and conducts all other processes relating to voucher issuance and administration.

(https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/family)

The Oxnard Housing Authority was awarded ten FUP vouchers and partnered with the County of Ventura Human Services Agency (HSA) to establish a formal referral process. Oxnard has utilized seven of the 10 FUP vouchers. The HSA verifies eligibility for the FUP program and provides full-service case management. The Oxnard Housing Authority verifies eligibility for the HCV program and administers the vouchers.

The Foster Youth to Independence

The Foster Youth to Independence (FYI) initiative makes HCV assistance available to public housing authorities in partnership with Public Child Welfare Agencies (PCWAs). Under FYI, public housing authorities provide housing assistance on behalf of youth at least eighteen years and not more than twenty-four years of age who left foster care, or will leave foster care within ninety days, in accordance with a transition plan described in Section 475(5)(H) of the Social Security Act, and are homeless or are at risk of becoming homeless at age sixteen or older. As required by statute, an FYI voucher issued to such a youth may only be used to provide housing assistance for the youth for a maximum of thirty-six months.

(https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/fyi)

The Housing Authority does not get a direct allocation of FYI vouchers.

Mainstream Vouchers

Mainstream vouchers assist non-elderly persons with disabilities. Aside from serving a special population, Mainstream vouchers are administered using the same rules as other housing choice vouchers. Funding and financial reporting for Mainstream vouchers is separate from the regular tenant-based voucher program.

(https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/mainstream)

Although the Oxnard Housing Authority serves the non-elderly person with disabilities through its regular HCV program, there is no program available for families who are in critical need of housing services. The Oxnard Housing Authority contacted local agencies to identify 1). the need for a targeted preference for homeless families and 2). opportunities to leverage resources. An overwhelming response was received from agencies who serve individuals in the City of Oxnard, including but not limited to: Mercy House, the Salvation Army, the Lighthouse for Women and Children, the Kingdom Center, Ventura County Behavioral Health, Ventura County Rescue Mission, the National Health Foundation, and Casa Aliento (former Vagabond Inn). The Oxnard Housing Authority was allocated forty Mainstream vouchers of which thirteen have been issued.

Staff is working on issuing the remaining vouchers to eligible families. The partnering agencies are providing supportive services and housing navigation support to each applicant. Similar to the EHVs, this program does not reduce the Section 8 voucher allocation and it is funded through a separate source of funds, however; effective utilization will positively impact funding for the Section 8 program.

Recommendations to utilize these vouchers are contained later in this report.

Non-Elderly Disabled

Non-Elderly Disabled (NED) vouchers enable non-elderly disabled families, who would have been eligible for a public housing unit if occupancy of the unit or entire project had not been restricted to elderly families only through an approved Designated Housing Plan, to receive rental assistance. These vouchers may also assist non-elderly disabled families living in a designated unit, project, or building to move from that project if they so choose. The family does not have to be listed on the voucher waiting list. Instead they may be admitted to the program as a special admission.

(https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/ned)

The Housing Authority does not get a direct allocation of NED vouchers

Tenant Protection or Enhanced Vouchers

Another type of voucher, called a tenant protection voucher, is given to families that were already receiving assistance through another HUD housing program, before being displaced. These would be given when public housing is demolished, similar to what the City of Oxnard provided with "The Courts" was demolished. Another example is when a landlord terminates a Section 8 project-based rental assistance contract.

Families that risk being displaced from project-based Section 8 units are eligible to receive a special form of tenant-protection voucher, called an enhanced voucher. The "enhanced" feature of the voucher allows the maximum value of the voucher to grow to be equal to the new rent charged in the property, as long as it is reasonable in the market, even if it is higher than the payment standard. This allows a family to stay in their homes; but if they choose to move, then the enhanced feature is lost and the voucher becomes subject to the normal payment standard.

(https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/tenant_protection_vouchers)

Veterans Affairs Supportive Housing

Beginning in 1992, through a collaboration between HUD and the VA, Section 8 vouchers have been made available for use by homeless veterans. The HUD-Veterans Affairs Supportive Housing (HUD-VASH) program combines HUD's Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs.

(https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/vash)

In 2010, the Oxnard Housing Authority ventured into homeless services with its first allocation of VASH vouchers in service of homeless veterans. Currently, the Oxnard Housing Authority has seventy-seven VASH vouchers of which thirty-six are utilized.

This year, the U.S. Department of Veteran Affairs Ventura and Santa Barbara County HealthCare System which operates in the City of Oxnard, doubled its capacity to increase the number of Veterans referred for a VASH voucher. The Oxnard Housing Authority's goal is to increase voucher utilization to at least ninety percent.

Recommendations to utilize these vouchers are contained later in this report

HUD Project-Based Vouchers

Separate from the types of vouchers, the use or application of vouchers allow for the vouchers to be tied to a specific housing unit or project. When a voucher is tied to a specific unit or project it is termed "Project Based." In order to project-base vouchers, a landlord must sign a contract with the local public housing authority agreeing to set-aside up to twenty-five of the units in a development for low-income families. Each of those set-aside units then receives voucher assistance as long as a family that is eligible for a voucher lives there. Public housing authorities can choose to project-base up to twenty-percent of their voucher allocation.

AMENDMENTS TO OXNARD'S HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN & ANNUAL AGENCY

The Oxnard Housing Authority proposes to amend the HCV Program Administrative Plan. The Five-Year Administrative Plan describes the mission of the Oxnard Housing Authority and long-range goals and objectives for achieving the mission over the course of the five-year period. The Annual Agency Plan coincides with the current fiscal year and provides details about the Oxnard Housing Authority's immediate operations, program participants, programs, services, and strategies for handling operation and resident concerns in the upcoming fiscal year.

HUD permits amendments to the Annual Plan or Five-Year Administrative plan at any time, subject to approval by the Los Angeles Housing and Urban Development Field Office.

In alignment with the Housing First model and HUDs mission to assist very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market staff recommends that the Board of Commissioners amend the HCV Program Administrative Plan to adopt a local homeless preference.

The proposed amendment has been presented to the Resident Advisory Board (RAB) consisting of tenant commissioners, public housing residents, and HCV Program participants. The RAB did not object to these amendments. A forty-five-day comment period was also completed without any objection received.

Existing HCV Preferences in the Administrative Plan
The demand for housing assistance often exceeds the limited resources available to HUD and the Oxnard Housing Authority, therefore long wait lists are common. One tool that public housing authorities use to select applicants from a waiting list is the establishment of preferences. The Oxnard Housing Authority has 1,840 vouchers, and a waiting list of 5,700. The waiting list has been closed since February 1, 2019.

The adopted preferences by the Oxnard Housing Authority include:

1. Residency preference

2. Public Housing residents on the Section 8 waitlist in need of a reasonable accommodation

3. Veterans

4. Involuntary displacement by a natural disaster or the Oxnard Housing Authority

5. Homeless (adopted in 2015, 15 vouchers)

6. Farm Worker (adopted in 2022)

The language for the fifteen set aside Section 8 vouchers for homeless was adopted in 2015 by the Board of Commissioners and has had the same language every year since.

“Homelessness Preference – The PHA has a local preference for homeless families or those at risk of being homeless. The PHA must offer the opportunity to current applicants on the HCV waiting list and who are receiving supportive services. The eligibility criteria will be determined by local service agencies partnering with the PHA in an effort to address homelessness. The PHA will issue vouchers to the first fifteen (15) referrals received from local service agencies to eligible families. The PHA will assist families when a Homeless Set Aside Voucher becomes available. If the PHA does not have enough applicants on the waiting list who qualify for the preference, the PHA will open its waiting list strictly for families to which the preference applies.”

There has been some confusion on if the fifteen vouchers are on a per year, meaning fifteen new vouchers per year, or fifteen total vouchers. It is Staff opinion that this language allocates fifteen vouchers annually since language above has been included every year since 2015. Currently fifty of the 1,840 Section 8 vouchers were utilized using this preference, and additional twenty-five have been selected and pending eligibility review. Staff recommends that the Administrative Plan be amended to clearly state that the fifteen vouchers are an annual allocation.

In 2021, the Resident Advisory Board (RAB) reviewed the creation of a farm worker preference and a homeless preference. The language for both of these preferences was included at public meetings on September 23, 2021 and October 28, 2021.

The farm worker preference language reads as follows:

Applicants in which the head of household, spouse or cohead are currently employed as farm worker(s) in the OHA’s jurisdiction will receive this preference. The OHA limits the number of families that qualify for the farmworker preference to fifteen (15) families annually. Once the OHA is serving (15) families under the preference in a given year, and one family leaves the program, the next family on the waitlist who meets the preference criteria will be served.

Proposed homeless preference:

The homeless preference would be applied to applicants and families who meet the McKinney-Vento Homeless Assistance Act definition of homelessness as applied to the general population. A certification of homelessness completed by a homeless services provider will be required. For the purposes of the Oxnard Housing Authority’s tenant selection policies, the following definition of “homeless” shall apply to all families, including single adults and families with or without children:

An individual or family who lacks a fixed, regular, and adequate nighttime residence; or

Any individual or family who:

1. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual’s or family’s primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; and

2. Has no other residence; and

3. Lacks the resource or support networks, e.g., family, friends and faith-based or other social networks, to obtain other permanent housing.

The farm worker preference was approved by the Board of Commissioners on March 15, 2022. Although the RAB supported the homeless preferences and no concerns were received during the public review period, staff tabled the homeless preference until additional research could be completed to verify if a homeless preference met the goals and mission of the housing choice voucher program. That research has now been completed and is summarized below.

The farm worker preference was approved by the Board of Commissioners on March 15, 2022. Although the RAB supported the homeless preferences and no concerns were received during the public review period, staff tabled the homeless preference until additional research could be completed to verify if a homeless preference met the goals and mission of the housing choice voucher program. That research has now been completed and is summarized below.

The research concludes that public housing authorities throughout the country have been engaged in housing and homeless services for well over a decade. In a 2013 publication of the Council of Large Public Housing Authorities entitled *Housing Authorities: Essential Partners in Ending Homelessness*, Sunia Zaterman, Executive Director, of the Council of Large Public Housing Authorities, expressed that the "largest and most forward-thinking housing authorities in the country committed to an effort to reshape the way that the housing system works with other systems . . . as evidenced by their local level work on homelessness." (Publication attached)

The publication featured several public housing authorities throughout the country committed to ending homelessness in their communities, including six from California. The public housing authorities from Fresno, Marin County, Santa Clara County, Oakland, Los Angeles and San Diego featured innovative programs. Additional research and examples demonstrating public housing authorities creating homeless preferences and engaging in homeless services are included in the attachments to this report. As an example, taken directly from the HCV Fact Sheet (https://www.hud.gov/topics/housing_choice_voucher_program_section_8) "PHAs may give a preference to a family who is (1) homeless or living in substandard housing, (2) paying more than 50% of its income for rent, or (3) involuntarily displaced. Families who qualify for any such local preferences move ahead of other families on the list who do not qualify for any preference. Each PHA has the discretion to establish local preferences to reflect the housing needs and priorities of its particular community."

The Section 8 regulations (previously referenced and attached hereto) expressly state that a public housing authority "may adopt a preference for admission of single persons who are age 62 or older, displaced, *homeless*, or persons with disabilities over other single persons." §982.207(b)(5)

In 2013, Department of Housing and Urban Development published PIH Notice 2013-15 offering "Guidance on housing individuals and families experiencing homelessness through the Public Housing and Housing Choice Voucher programs." Additionally, the Housing and Urban Development website (Housing Choice Voucher Program Section 8 | HUD.gov / U.S. Department of Housing and Urban Development (HUD)) offers a summary fact sheet on the use of housing choice vouchers which acknowledges that each public housing authority "has the discretion to establish local preferences to reflect the housing needs and priorities of its particular community." The same section declares that public housing authorities may establish local preferences for selecting Section 8 applicants from their waitlist.

Most recently, Housing and Urban Development Secretary Marcia Fudge declared that housing is a human right and pledged that she is ready to fight homelessness.

Adoption of a homeless preference to the Administrative Plan

The Oxnard Housing Authority staff proposes to adopt a homeless preference as supported by the RAB. This preference would replace the existing Homeless Set Aside preference and would apply to the allocation of Section 8 vouchers as well as any current or future allocation of special purpose eligible vouchers. As an alternative to this recommendation, this preference could be limited to Mainstream Vouchers and the existing Homeless Set Aside Section 8 Vouchers. This limited application is not part of the recommended action.

Project Based Vouchers in Oxnard

HUD does not require Board of Commissioners approval to project base vouchers. However, in recent history in order to be transparent, and because it is not explicitly called out in the Administrative Plan or Annual Agency Plan the Housing Director has presented and sought approval of the Board of Commissioners to project base the vouchers. Most recently, the Commissioners have authorized project-based vouchers for the following projects:

1. Homeless Solutions Center

2. The Central Terrace Apartments

3. Ormond Beach Villas

Currently our VASH and Mainstream Vouchers are underutilized. One of the greatest challenges in exhausting the special purpose voucher allocations is the limited housing inventory coupled with a high rent market. The Oxnard Housing Authority staff proposed solution to address the underutilization of these vouchers is to partner with developers to "project base" vouchers, meaning vouchers would be tied to specific units. Since project-based vouchers are tied to a specific unit, the landlord is required to rent only to an eligible family. This requirement increases the number of affordable housing units available to participants. Additionally, the project must then offer supportive services on-site, which allows providers to work more efficiently with residents and improves access to services. This increases the likelihood that the participants remain housed.

Oftentimes the need to project base vouchers is tied to a real estate transaction or financing deadlines. Because of these deadlines it is not always possible to present to the Board of Commissions in time for the deadlines. Coupling the need to commit the resources quickly with the fact that HUD does not require the Board of Commissioners approval, staff ministerially initiated an amendment to the 2021 Annual Agency plan to project base vouchers for the Casa Aliento (former Vagabond) and Etting Road Apartment projects. This allows for the conversion of twenty-five of the seventy-seven Veteran Assisted Supportive Housing Vouchers and all forty of the Mainstream Vouchers to project-based vouchers. The project-based vouchers will continue to serve the target population for each program accordingly. The Oxnard Housing Authority will review proposals to confirm compliance with the Housing Choice Voucher Administrative plan policies and program regulations and requirements, including a determination that the property is eligible housing, compliance with the maximum limit on the number of project-based voucher units per project, site selection standards, and proposal selection requirements.

The Mainstream Voucher program provides vouchers for low-income households that include a person(s) with disabilities. Both programs are eligible for families who are or have experienced homelessness, and meet the other parameters of Veteran and Mainstream.

IMPACT OF THE RECOMMENDATIONS TO CITY HOUSING DEPARTMENT AND OXNARD COMMUNITY

This item will result in a higher utilization rate of voucher assistance programs which will trigger higher administrative funds being granted to the Oxnard Housing Authority. In addition, it will allow the Oxnard Housing Authority to fully realize its mission which is to house the most vulnerable. The overall benefit to the residents of the city of Oxnard is that its residents who currently find themselves without a home will be afforded an opportunity to once again find and maintain a home.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

This item has no financial impact to the General Fund; however, implementation of the recommendations will trigger higher administrative funds being granted to the Oxnard Housing Authority.

Prepared by: Emilio Ramirez, Housing Director

ATTACHMENTS

1. Presentation
2. Housing Choice Voucher Program Regulations
3. PIH Notice 2013-15
4. Housing Choice Vouchers Fact Sheet from the Housing and Urban Development website
5. Housing Authorities Essential Partners in ending Homelessness

United States Department of Housing and Urban Development's Role in Addressing the Housing Crisis & Homelessness

Emilio Ramirez
Housing Department

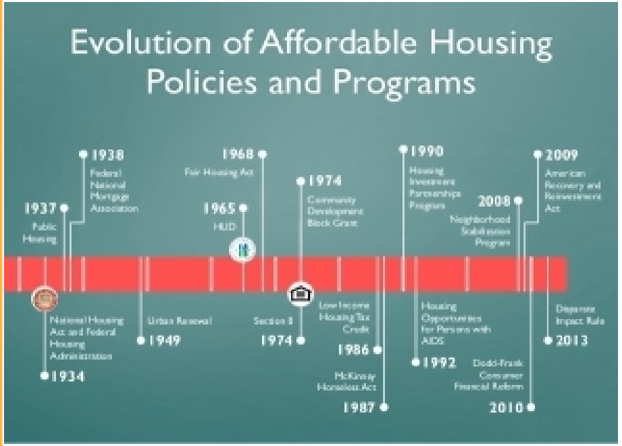
Community Services, Public Safety, Housing & Development Committee

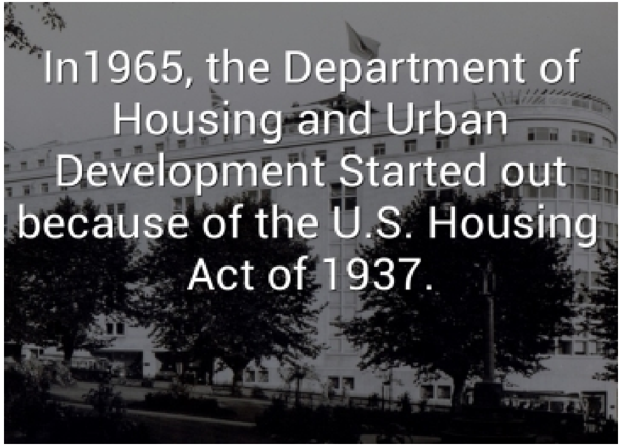
May 24, 2022

City of Oxnard California

STARTING IN 1937

An act to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the eradication of slums, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes





The Section 8 regulations expressly state that a public housing authority "may adopt a preference for admission of single persons who are age 62 or older, displaced, *homeless*, or persons with disabilities over other single persons" §982.207(b)(5)

Veteran Affairs Supportive Housing

The VASH program combines Housing Choice Voucher rental assistance for homeless veterans with case management and clinical service support which is provided by the Veterans Affairs administration at its own medical centers and also in the community

HUD-VASH
VA Supportive Housing

MAINSTREAM

A Mainstream voucher is a type of rental assistance for families with an adult member age 18-61 who has a disability, and who is homeless, living in an institution such as a hospital or a nursing home, or at risk of being homelessness or institutionalized

EMERGENCY HOUSING VOUCHERS

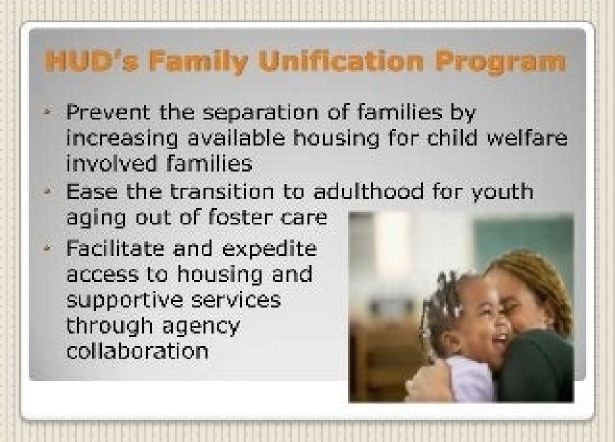
Emergency Housing Vouchers are specifically designed for households who are: Homeless; At Risk of Homelessness; Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking; Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability

Family Unification Vouchers

Families who are in imminent danger of losing their children to foster care primarily due to housing problems

Families who are unable to regain custody of their children primarily due to housing problems

Youth who were in foster care any time after the age of 16 who are currently between the ages of 18-24 and are homeless or at risk of homelessness



Public Housing Authorities Serving Homelessness

The idea that "home is where you hang your hat" is no cliché for James, 48, an Army veteran who was homeless for almost 15 years before one of San Diego Housing Commission's Sponsor-Based Vouchers through Project 25 helped him get an apartment

In April 2012, Project 25 announced preliminary results of the program:

- Emergency room visits down 77 percent
- Ambulance transports down 72 percent
- In-patient medical stays down 73 percent
- Arrests down 69 percent
- Jail days down 43 percent

In April 2013, Project 25 updated the cost savings the program has provided. According to St. Vincent de Paul Village, the 35 people whom Project 25 has helped cost the community $4.2 million in 2010. In 2012, the cost to the community was $2 million. Including the operating cost, the program has saved the City more than $1.4 million.

The Oxnard Housing Authority

In 2010, the Oxnard Housing Authority ventured into homeless services with its first allocation of VASH vouchers in service of homeless veterans

Seven years ago the previous Housing Director engaged the Oxnard Housing Authority directly into the realm of homeless services with the creation of a homeless preference setting aside fifteen Section 8 vouchers

CITY OF
OXNARD
CALIFORNIA

A Potential Homeless Services Program

1. Housing navigation
2. Intake and eligibility support
3. Case Management
4. Training of homeless providers
5. Adopting a homeless preference
6. Project basing vouchers
7. Solicitation of special vouchers
8. Landlord engagement



Recommendation

That the Community Services, Public Safety, and Housing & Development Committee:

1. Receive a Report on the United States Department of Housing and Urban Development's Housing Choice Voucher Programs progression over time to respond to changing housing needs; and
2. Direct staff to prepare and present to the Oxnard Housing Authority Board of Commissioners a comprehensive proposal to respond to the housing crisis with a homeless services program inclusive of the continued solicitation of special purpose vouchers, future voucher project-based commitments and adoption of a local preference in support of homeless individuals.

but a slightly different methodology (use of residual value as a public housing cost, inflating forward the discount numbers), the ratio of public housing costs to voucher costs would be 1.16 for the 20-year amortization period, 1.03 for the 30-year amortization period, and .97 for the 20-year amortization period. Thus, in voluntary conversion, the appropriate amortization period would decide whether public housing is more costly or is slightly more costly, or less than vouchers. Under a 20-year amortization assumption and possibly under a 30-year amortization period, the PHA would have the option of preparing a conversion plan for the development under subpart B of this part. Different sets of data would yield different conclusions for required and voluntary conversion determinations.

[71 FR 14336, Mar. 21, 2006]

PART 982—SECTION 8 TENANT-BASED ASSISTANCE: HOUSING CHOICE VOUCHER PROGRAM

Subpart A—General Information

Sec.

Subpart B—HUD Requirements and PHA Plan for Administration of Program

Subpart C—Funding and PHA Application for Funding

Subpart D—Annual Contributions Contract and PHA Administration of Program

Subpart E—Admission to Tenant-Based Program

Subpart F [Reserved]

Subpart G—Leasing a Unit

Subpart H—Where Family Can Live and Move

Subpart I—Dwelling Unit: Housing Quality Standards, Subsidy Standards, Inspection and Maintenance

Subpart J—Housing Assistance Payments Contract and Owner Responsibility

Subpart K—Rent and Housing Assistance Payment

Subpart L—Family Obligations; Denial and Termination of Assistance

Subpart M—Special Housing Types

SINGLE ROOM OCCUPANCY (SRO)

CONGREGATE HOUSING

GROUP HOME

SHARED HOUSING

COOPERATIVE

MANUFACTURED HOME

MANUFACTURED HOME SPACE RENTAL

HOMEOWNERSHIP OPTION

AUTHORITY: 42 U.S.C. 1437f and 3535(d).

SOURCE: 59 FR 36682, July 18, 1994, unless otherwise noted.

EDITORIAL NOTE: Nomenclature changes to part 982 appear at 64 FR 26640, May 14, 1999.

Subpart A—General Information

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.1 Programs: purpose and structure.

(a) *General description.* (1) In the HUD Housing Choice Voucher (HCV) program, HUD pays rental subsidies so eligible families can afford decent, safe, and sanitary housing. The HCV program is generally administered by State or local governmental entities called public housing agencies (PHAs). HUD provides housing assistance funds to the PHA. HUD also provides funds for PHA administration of the program.

(2) Families select and rent units that meet program housing quality standards. If the PHA approves a family's unit and tenancy, the PHA contracts with the owner to make rent subsidy payments on behalf of the family. A PHA may not approve a tenancy unless the rent is reasonable.

(3) Subsidy in the HCV program is based on a local ''payment standard'' that reflects the cost to lease a unit in the local housing market. If the rent is less than the payment standard, the family generally pays 30 percent of adjusted monthly income for rent. If the rent is more than the payment standard, the family pays a larger share of the rent.

(b) *Tenant-based and project-based assistance.* (1) Section 8 assistance may be ''tenant-based'' or ''project-based''. In project-based programs, rental assistance is paid for families who live in specific housing developments or units. With tenant-based assistance, the assisted unit is selected by the family. The family may rent a unit anywhere in the United States in the jurisdiction of a PHA that runs a voucher program.

(2) To receive tenant-based assistance, the family selects a suitable unit. After approving the tenancy, the PHA enters into a contract to make rental subsidy payments to the owner to subsidize occupancy by the family. The PHA contract with the owner only covers a single unit and a specific assisted family. If the family moves out of the leased unit, the contract with the owner terminates. The family may move to another unit with continued assistance so long as the family is complying with program requirements.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26640, May 14, 1999; 80 FR 8245, Feb. 17, 2015]

§ 982.2 Applicability.

Part 982 contains the program requirements for the tenant-based housing assistance program under Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f). The tenant-based program is the HCV program.

[80 FR 8245, Feb. 17, 2015]

§ 982.3 HUD.

The HUD field offices have been delegated responsibility for day-to-day administration of the program by HUD. In exercising these functions, the field offices are subject to HUD regulations and other HUD requirements issued by HUD headquarters. Some functions are specifically reserved to HUD headquarters.

§ 982.4 Definitions.

(a) *Definitions found elsewhere*—(1) *General definitions*. The following terms are defined in part 5, subpart A of this title: 1937 Act, covered person, drug, drug-related criminal activity, federally assisted housing, guest, household, HUD, MSA, other person under the tenant's control, public housing, Section 8, and violent criminal activity.

(2) *Definitions concerning family income and rent*. The terms ''adjusted income,'' ''annual income,'' ''extremely low income family,'' ''tenant rent,'' ''total tenant payment,'' ''utility allowance,'' ''utility reimbursement,'' and ''welfare assistance'' are defined in part 5, subpart F of this title. The definitions of ''tenant rent'' and ''utility reimbursement'' in part 5, subpart F of this title do not apply to the HCV program under part 982.

(b) In addition to the terms listed in paragraph (a) of this section, the following definitions apply:

Absorption. For purposes of subpart H, the point at which a receiving PHA starts making assistance payments with funding under its consolidated ACC, rather than billing, the initial PHA.

Administrative fee. Fee paid by HUD to the PHA for administration of the program. See § 982.152.

Administrative fee reserve (formerly ''operating reserve''). Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes. See § 982.155.

Administrative plan. The plan that describes PHA policies for administration of the HCV program. See § 982.54.

Admission. The point when the family becomes a participant in the 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) in the tenant-based program.

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

Budget authority. An amount authorized and appropriated by the Congress for payment to PHAs under the HCV program. For each funding increment in the program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

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

Congregate housing. Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. A special housing type: see § 982.606 to § 982.609.

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

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

Cooperative member. A family of which one or more members owns membership shares in a cooperative.

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

Downpayment assistance grant. A form of homeownership assistance in the homeownership option: A single downpayment assistance grant for the family. If a family receives a downpayment assistance grant, a PHA may not make monthly homeownership assistance payments for the family. A downpayment assistance grant is applied to the downpayment for purchase of the home or reasonable and customary closing costs required in connection with purchase of the home.

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. See periodic publications in the FEDERAL REGISTER in accordance with 24 CFR part 888.

Family. A person or group of persons, as determined by the PHA consistent with 24 CFR 5.403, approved to reside in a unit with assistance under the program. See ''family composition'' at §982.201(c).

Family rent to owner. In the voucher program, the portion of rent to owner paid by the family. For calculation of family rent to owner, see §982.515(b).

Family self-sufficiency program (FSS program). The program established by a PHA in accordance with 24 CFR part 984 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. For calculation of family share, see §982.515(a).

Family unit size. The appropriate number of bedrooms for a family, as determined by the PHA under the PHA subsidy standards.

First-time homeowner. In the homeownership option: A family of which no member owned any present ownership interest in a residence of any family member during the three years before commencement of homeownership assistance for the family. The term ''first-time homeowner'' includes a single parent or displaced homemaker (as those terms are defined in 12 U.S.C. 12713) who, while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse.

Funding increment. Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

Gross rent. The sum of the rent to owner plus any utility allowance.

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). A special housing type: see §982.610 to §982.614.

HAP contract. Housing assistance payments contract.

Home. In the homeownership option: A dwelling unit for which the PHA pays homeownership assistance.

Homeowner. In the homeownership option: A family of which one or more members owns title to the home.

Homeownership assistance. Assistance for a family under the homeownership option. There are two alternative and mutually exclusive forms of homeownership assistance by a PHA for a family: monthly homeownership assistance payments, or a single downpayment assistance grant. Either form of homeownership assistance may be paid to the family, or to a mortgage lender on behalf of the family.

Homeownership expenses. In the homeownership option: A family's allowable monthly expenses for the home, as determined by the PHA in accordance with HUD requirements (see §982.635).

Homeownership option. Assistance for a homeowner or cooperative member under §982.625 to §982.641. A special housing type.

Housing assistance payment. The monthly assistance payment by a PHA, 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 HCV program. See §982.401.

Initial PHA. In portability, the term refers to both:

(1) a PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and

(2) a PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

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 HAP contract term.

Interest in the home. In the homeownership option:

(1) In the case of assistance for a homeowner, ''interest in the home'' includes title to the home, any lease or other right to occupy the home, or any other present interest in the home.

(2) In the case of assistance for a cooperative member, ''interest in the home'' includes ownership of membership shares in the cooperative, any

lease or other right to occupy the home, or any other present interest in the home.

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

Lease. (1) A written agreement between an owner and a 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 PHA.

(2) In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement establishes the conditions for occupancy of the member's cooperative dwelling unit by the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the PHA. For purposes of this part 982, the cooperative is the Section 8 ''owner'' of the unit, and the cooperative member is the Section 8 ''tenant.''

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. A special housing type: see § 982.620 and § 982.621.

Manufactured 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. See § 982.622 to § 982.624.

Membership shares. In the homeownership option: shares in a cooperative. By owning such cooperative shares, the share-owner has the right to reside in a particular unit in the cooperative, and the right to participate in management of the housing.

Merger date. October 1, 1999, which is the effective date of the merger of the two tenant-based programs (the housing voucher and housing certificate programs) into the Housing Choice Voucher (HCV) program.

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.

Owner. Any person or entity with the legal right to lease or sublease a unit to a participant.

Participant (participant family). A family that has been admitted to the PHA 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 PHA for the family (first day of initial lease term).

Payment standard. The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).

PHA plan. The annual plan and the 5-year plan as adopted by the PHA and approved by HUD in accordance with part 903 of this chapter.

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

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

Present homeownership interest. In the homeownership option: ''Present ownership interest'' in a residence includes title, in whole or in part, to a residence, or ownership, in whole or in part, of membership shares in a cooperative. ''Present ownership interest'' in a residence does not include the right to purchase title to the residence under a lease-purchase agreement.

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

Program. The Section 8 HCV program under this part.

Program receipts. HUD payments to the PHA under the consolidated ACC, and any other amounts received by the PHA in connection with the program.

Public housing agency (PHA). PHA includes both:

(1) Any State, county, municipality, or other governmental entity or public body which is authorized to administer the program (or an agency or instrumentality of such an entity), and

(2) Any of the following:

(i) A consortium of housing agencies, each of which meets the qualifications in paragraph (1) of this definition, that

HUD determines has the capacity and capability to efficiently administer the program (in which case, HUD may enter into a consolidated ACC with any legal entity authorized to act as the legal representative of the consortium members);

(ii) Any other public or private non-profit entity that was administering a Section 8 tenant-based assistance program pursuant to a contract with the contract administrator of such program (HUD or a PHA) on October 21, 1998; or

(iii) For any area outside the jurisdiction of a PHA that is administering a tenant-based program, or where HUD determines that such PHA is not administering the program effectively, a private non-profit entity or a governmental entity or public body that would otherwise lack jurisdiction to administer the program in such area.

Reasonable rent. A rent to owner that is not more than rent charged:

(1) For comparable units in the private unassisted market; and

(2) For comparable unassisted units in the premises.

Receiving PHA. In portability: A PHA that receives a family selected for participation in the HCV program of another PHA. The receiving PHA issues a voucher and provides program assistance to the family.

Renewal units. The number of units, as determined by HUD, for which funding is reserved on HUD books for a PHA's program. This number is used is calculating renewal budget authority in accordance with § 982.102.

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

Residency preference. A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area (''residency preference area'').

Residency preference area. The specified area where families must reside to qualify for a residency preference.

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. A special housing type: see § 982.615 to § 982.618.

Single room occupancy housing (SRO). A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. A special housing type: see § 982.602 to § 982.605.

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

Special housing types. See subpart M of this part 982. Subpart M of this part states the special regulatory requirements for: SRO housing, congregate housing, group home, shared housing, manufactured home (including manufactured home space rental), cooperative housing (rental assistance for cooperative member) and homeownership option (homeownership assistance for cooperative member or first-time homeowner).

Statement of homeowner obligations. In the homeownership option: The family's agreement to comply with program obligations.

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

Suspension. The term on the family's voucher stops from the date that the family submits a request for PHA approval of the tenancy, until the date the PHA notifies the family in writing whether the request has been approved or denied.

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

Utility reimbursement. The portion of the housing assistance payment which exceeds the amount of the rent to owner. (See § 982.514(b)).

Voucher holder. A family holding a voucher with an unexpired term (search time).

Voucher (rental voucher). A document issued by a PHA to a family selected for admission to the voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states obligations of the family under the program.

Waiting list admission. An admission from the PHA waiting list.

Welfare-to-work (WTW) families. Families assisted by a PHA with voucher funding awarded to the PHA under the HUD welfare-to-work voucher program (including any renewal of such WTW funding for the same purpose).

[63 FR 23857, Apr. 30, 1998; 63 FR 31625, June 10, 1998, as amended at 64 FR 26641, May 14, 1999; 64 FR 49658, Sept. 14, 1999; 64 FR 56887, 56911, Oct. 21, 1999; 65 FR 16821, Mar. 30, 2000; 65 FR 55161, Sept. 12, 2000; 66 FR 28804, May 24, 2001; 66 FR 33613, June 22, 2001; 67 FR 64492, Oct. 18, 2002; 77 FR 5675, Feb. 3, 2012; 80 FR 8245, Feb. 17, 2015; 80 FR 50572, Aug. 20, 2015]

§ 982.5 Notices required by this part.

Where part 982 requires any notice to be given by the PHA, the family or the owner, the notice must be in writing.

Subpart B—HUD Requirements and PHA Plan for Administration of Program

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.51 PHA authority to administer program.

(a) The PHA must have authority to administer the program. The PHA must provide evidence, satisfactory to HUD, of its status as a PHA, of its authority to administer the program, and of the PHA jurisdiction.

(b) The evidence submitted by the PHA to HUD must include enabling legislation and a supporting legal opinion satisfactory to HUD. The PHA must submit additional evidence when there is a change that affects its status as a PHA, its authority to administer the program, or its jurisdiction.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26641, May 14, 1999; 80 FR 8245, Feb. 17, 2015]

§ 982.52 HUD requirements.

(a) The PHA must comply with HUD regulations and other HUD requirements for the program. HUD requirements are issued by HUD headquarters, as regulations, FEDERAL REGISTER notices or other binding program directives.

(b) The PHA must comply with the consolidated ACC and the PHA's HUD-approved applications for program funding.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

§ 982.53 Equal opportunity requirements and protection for victims of domestic violence, dating violence, sexual assault, or stalking.

(a) The tenant-based program requires compliance with all equal opportunity requirements imposed by contract or federal law, including the authorities cited at 24 CFR 5.105(a) and title II of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.*

(b) *Civil rights certification.* The PHA must submit a signed certification to HUD that:

(1) The PHA will administer the program in conformity with the Fair Housing Act, Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act.

(2) The PHA will affirmatively further fair housing in the administration of the program.

(c) *Obligation to affirmatively further fair housing.* The PHA shall affirmatively further fair housing as required by § 903.7(o) of this title.

(d) *State and local law.* Nothing in part 982 is intended to pre-empt operation of State and local laws that prohibit discrimination against a Section 8 voucher-holder because of status as a Section 8 voucher-holder. However, such State and local laws shall not change or affect any requirement of this part, or any other HUD requirements for administration or operation of the program.

(e) *Protection for victims of domestic violence, dating violence, sexual assault, or stalking.* The PHA must apply the requirements in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking). For purposes of compliance with HUD's regulations in 24 CFR part 5, subpart L, the covered housing provider is the PHA or owner, as applicable given the responsibilities of the covered housing provider as set forth in 24 CFR part 5, subpart L. For example, the PHA is the covered housing provider responsible for providing the Notice of occupancy rights under VAWA and certification form described at 24 CFR 5.2005(a). In addition, the owner is the covered housing provider that may choose to bifurcate a lease as described at 24 CFR 5.2009(a), while the PHA is the covered housing provider responsible for complying with emergency transfer plan provisions at 24 CFR 5.2005(e).

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 63 FR 23859, Apr. 30, 1998; 64 FR 26641, May 14, 1999; 64 FR 56911, Oct. 21, 1999; 73 FR 72344, Nov. 28, 2008; 75 FR 66263, Oct. 27, 2010; 80 FR 8245, Feb. 17, 2015; 81 FR 80816, Nov. 16, 2016]

§ 982.54 Administrative plan.

(a) The PHA must adopt a written administrative plan that establishes local policies for administration of the program in accordance with HUD requirements. The administrative plan and any revisions of the plan must be formally adopted by the PHA Board of Commissioners or other authorized PHA officials. The administrative plan states PHA policy on matters for which the PHA has discretion to establish local policies.

(b) The administrative plan must be in accordance with HUD regulations and requirements. The administrative plan is a supporting document to the PHA plan (part 903 of this title) and must be available for public review. The PHA must revise the administrative plan if needed to comply with HUD requirements.

(c) The PHA must administer the program in accordance with the PHA administrative plan.

(d) The PHA administrative plan must cover PHA policies on these subjects:

(1) Selection and admission of applicants from the PHA waiting list, including any PHA admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the PHA waiting list;

(2) Issuing or denying vouchers, including PHA policy governing the voucher term and any extensions of the voucher term. If the PHA decides to allow extensions of the voucher term, the PHA administrative plan must describe how the PHA determines whether to grant extensions, and how the PHA determines the length of any extension.

(3) Any special rules for use of available funds when HUD provides funding to the PHA for a special purpose (e.g., desegregation), including funding for specified families or a specified category of families;

(4) Occupancy policies, including:

(i) Definition of what group of persons may qualify as a ''family'';

(ii) Definition of when a family is considered to be ''continuously assisted'';

(iii) Standards for denying admission or terminating assistance based on criminal activity or alcohol abuse in accordance with § 982.553;

(5) Encouraging participation by owners of suitable units located outside areas of low income or minority concentration;

(6) Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit;

(7) Providing information about a family to prospective owners;

(8) Disapproval of owners;

(9) Subsidy standards;

(10) Family absence from the dwelling unit;

(11) How to determine who remains in the program if a family breaks up;

(12) Informal review procedures for applicants;

(13) Informal hearing procedures for participants;

(14) The process for establishing and revising payment standards, including policies on administering decreases in the payment standard during the HAP contract term (see § 982.505(d)(3)).

(15) The method of determining that rent to owner is a reasonable rent (initially and during the term of a HAP contract);

(16) Special policies concerning special housing types in the program (e.g., use of shared housing);

(17) Policies concerning payment by a family to the PHA of amounts the family owes the PHA;

(18) Interim redeterminations of family income and composition;

(19) Restrictions, if any, on the number of moves by a participant family (see § 982.354(c));

(20) Approval by the Board of Commissioners or other authorized officials to charge the administrative fee reserve;

(21) Procedural guidelines and performance standards for conducting required HQS inspections; and

(22) PHA screening of applicants for family behavior or suitability for tenancy.

(23) Policies concerning application of Small Area FMRs to project-based voucher units (see § 888.113(h)).

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 27163, May 30, 1996; 63 FR 23859, Apr. 30, 1998; 64 FR 26641, May 14, 1999; 64 FR 49658, Sept. 14, 1999; 64 FR 56911, Oct. 21, 1999; 66 FR 28804, May 24, 2001; 80 FR 8245, Feb. 17, 2015; 80 FR 50572, Aug. 20, 2015; 81 FR 80582, Nov. 16, 2016]

Subpart C—Funding and PHA Application for Funding

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.101 Allocation of funding.

(a) *Allocation of funding.* HUD allocates available budget authority for the tenant-based assistance program to HUD field offices.

(b) *Section 213(d) allocation.* (1) Section 213(d) of the HCD Act of 1974 (42 U.S.C. 1439) establishes requirements for allocation of assisted housing budget authority. Some budget authority is exempt by law from allocation under section 213(d). Unless exempted by law, budget authority for the tenant-based programs must be allocated in accordance with section 213(d).

(2) Budget authority subject to allocation under section 213(d) is allocated in accordance with 24 CFR part 791, subpart D. There are three categories of section 213(d) funding allocations under part 791 of this title:

(i) Funding retained in a headquarters reserve for purposes specified by law;

(ii) funding incapable of geographic formula allocation (e.g., for renewal of expiring funding increments); or

(iii) funding allocated by an objective fair share formula. Funding allocated by fair share formula is distributed by a competitive process.

(c) *Competitive process.* For budget authority that is distributed by competitive process, the Department solicits applications from PHAs by publishing one or more notices of funding availability (NOFAs) in the FEDERAL REGISTER. See 24 CFR part 12, subpart B; and 24 CFR 791.406. The NOFA explains how to apply for assistance, and specifies the criteria for awarding the assistance. The NOFA may identify any special program requirements for use of the funding.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26642, May 14, 1999; 80 FR 8246, Feb. 17, 2015]

§ 982.102 Allocation of budget authority for renewal of expiring consolidated ACC funding increments.

(a) *Applicability.* This section applies to the renewal of consolidated ACC funding increments in the program (as described in § 982.151(a)(2)) that expire after December 31, 1999 (including any assistance that the PHA has attached to units for project-based assistance under 24 CFR part 983). This section implements section 8(dd) of the 1937 Act (42 U.S.C. 1437f(dd)).

(b) *Renewal Methodology.* HUD will use the following methodology to determine the amount of budget authority to be allocated to a PHA for the renewal of expiring consolidated ACC funding increments in the program, subject to the availability of appropriated funds. If the amount of appropriated funds is not sufficient to provide the full amount of renewal funding for PHAs, as calculated in accordance with this section, HUD may establish a procedure to adjust allocations for the shortfall in funding.

(c) *Determining the amount of budget authority allocated for renewal of an expiring funding increment.* Subject to availability of appropriated funds, as determined by HUD, the amount of budget authority allocated by HUD to a PHA for renewal of each program funding increment that expires during a calendar year will be equal to:

(1) *Number of renewal units.* The number of renewal units assigned to the funding increment (as determined by HUD pursuant to paragraph (d) of this section); multiplied by

(2) *Adjusted annual per unit cost.* The adjusted annual per unit cost (as determined by HUD pursuant to paragraph (e) of this section).

(d) *Determining the number of renewal units*—(1) *Number of renewal units.* HUD will determine the total number of renewal units for a PHA's program as of the last day of the calendar year previous to the calendar year for which renewal funding is calculated. The number of renewal units for a PHA's program will be determined as follows:

(i) *Step 1: Establishing the initial baseline.* HUD will establish a baseline number of units ("baseline") for each PHA program. The initial baseline equals the number of units reserved by HUD for the PHA program as of December 31, 1999.

(ii) *Step 2: Establishing the adjusted baseline.* The adjusted baseline equals the initial baseline with the following adjustments from the initial baseline as of the last day of the calendar year previous to the calendar year for which renewal funding is calculated:

(A) *Additional units.* HUD will add to the initial baseline any additional units reserved for the PHA after December 31, 1999.

(B) *Units removed.* HUD will subtract from the initial baseline any units dereserved by HUD from the PHA program after December 31, 1999.

(iii) *Step 3: Determining the number of renewal units.* The number of renewal units equals the adjusted baseline minus the number of units supported by contract funding increments that expire after the end of the calendar year.

(2) *Funding increments.* HUD will assign all units reserved for a PHA program to one or more funding increment(s).

(3) *Correction of errors.* HUD may adjust the number of renewal units to correct errors.

(e) *Determining the adjusted per unit cost.* HUD will determine the PHA's adjusted per unit cost when HUD processes the allocation of renewal funding for an expiring contract funding increment. The adjusted per unit cost calculated will be determined as follows:

(1) *Step 1: Determining monthly program expenditure*—(i) *Use of most recent HUD-approved year end statement.* HUD will determine the PHA's monthly per unit program expenditure for the HCV program (including project-based assistance under such program) under the consolidated ACC with HUD using data from the PHA's most recent HUD-approved year end statement.

(ii) *Monthly program expenditure.* The monthly program expenditure equals:

(A) *Total program expenditure.* The PHA's total program expenditure (the total of housing assistance payments and administrative costs) for the PHA fiscal year covered by the approved year end statement; divided by

(B) *Total unit months leased.* The total of unit months leased for the PHA fiscal year covered by the approved year end statement.

(2) *Step 2: Determining annual per unit cost.* HUD will determine the PHA's annual per unit cost. The annual per unit cost equals the monthly program expenditures (as determined under paragraph (e)(1)(ii) of this section) multiplied by 12.

(3) *Step 3: Determining adjusted annual per unit cost.* (i) HUD will determine the PHA's adjusted annual per unit cost. The adjusted annual per unit cost equals the annual per unit cost (as determined under paragraph (e)(2) of this section) multiplied cumulatively by the applicable published Section 8 housing assistance payments program annual adjustment factors in effect during the period from the end of the PHA fiscal year covered by the approved year end statement to the time when HUD processes the allocation of renewal funding.

(ii) *Use of annual adjustment factor applicable to PHA jurisdiction.* For this purpose, HUD will use the annual adjustment factor from the notice published annually in the FEDERAL REGISTER pursuant to part 888 that is applicable to the jurisdiction of the PHA. For a PHA whose jurisdiction spans multiple annual adjustment factor areas, HUD will use the highest applicable annual adjustment factor.

(iii) *Use of annual adjustment factors in effect subsequent to most recent Year End Statement*. HUD will use the Annual Adjustment Factors in effect during the time period subsequent to the time covered by the most recent HUD approved Year End Statement and the time of the processing of the contract funding increment to be renewed.

(iv) *Special circumstances*. At its discretion, HUD may modify the adjusted annual per unit cost based on receipt of a modification request from a PHA. The modification request must demonstrate that because of special circumstances application of the annual adjustment factor will not provide an accurate adjusted annual per unit cost.

(4) *Correction of errors*. HUD may correct for errors in the adjusted per unit cost.

(f) *Consolidated ACC amendment to add renewal funding*. HUD will reserve allocated renewal funding available to the PHA within a reasonable time prior to the expiration of the funding increment to be renewed and establish a new expiration date one-year from the date of such expiration.

(g) *Modification of allocation of budget authority*—(1) *HUD authority to conform PHA program costs with PHA program finances through Federal Register notice*. In the event that a PHA's costs incurred threaten to exceed budget authority and allowable reserves, HUD reserves the right, through FEDERAL REGISTER notice, to bring PHA program costs and the number of families served, in line with PHA program finances.

(2) *HUD authority to limit increases of per unit cost through Federal Register notice*. HUD may, by FEDERAL REGISTER notice, limit the amount or percentage of increases in the adjusted annual per unit cost to be used in calculating the allocation of budget authority.

(3) *HUD authority to limit decreases to per unit costs through Federal Register notice*. HUD may, by FEDERAL REGISTER notice, limit the amount or percentage of decreases in the adjusted annual per unit cost to be used in calculating the allocation of budget authority.

(4) *Contents of Federal Register notice*. If HUD publishes a FEDERAL REGISTER notice pursuant to paragraphs (g)(1), (g)(2) or (g)(3) of this section, it will describe the rationale, circumstances and procedures under which such modifications are implemented. Such circumstances and procedures shall, be consistent with the objective of enabling PHAs and HUD to meet program goals and requirements including but not limited to:

(i) Deconcentration of poverty and expanding housing opportunities;

(ii) Reasonable rent burden;

(iii) Income targeting;

(iv) Consistency with applicable consolidated plan(s);

(v) Rent reasonableness;

(vi) Program efficiency and economy;

(vii) Service to additional households within budgetary limitations; and

(viii) Service to the adjusted baseline number of families.

(5) *Public consultation before issuance of Federal Register notice*. HUD will design and undertake informal public consultation prior to issuing FEDERAL REGISTER notices pursuant to paragraphs (g)(1) or (g)(2) of this section.

(h) *Ability to prorate and synchronize contract funding increments*. Notwithstanding paragraphs (c) through (g) of this section, HUD may prorate the amount of budget authority allocated for the renewal of funding increments that expire on different dates throughout the calendar year. HUD may use such proration to synchronize the expiration dates of funding increments under the PHA's consolidated ACC.

(i) *Reallocation of budget authority*. If a PHA has performance deficiencies, such as a failure to adequately lease units, HUD may reallocate some of its budget authority to other PHAs. If HUD determines to reallocate budget authority, it will reduce the number of units reserved by HUD for the PHA program of the PHA whose budget authority is being reallocated and increase the number of units reserved by HUD for the PHAs whose programs are receiving the benefit of the reallocation, so that such PHAs can issue vouchers. HUD will publish a notice in the FEDERAL REGISTER that will describe the circumstances and procedures for reallocating budget authority pursuant to this paragraph.

[64 FR 56887, Oct. 21, 1999; 65 FR 16818, Mar. 30, 2000; 80 FR 8246, Feb. 17, 2015]

§982.103 PHA application for funding.

(a) A PHA must submit an application for program funding to HUD at the time and place and in the form required by HUD.

(b) For competitive funding under a NOFA, the application must be submitted by a PHA in accordance with the requirements of the NOFA.

(c) The application must include all information required by HUD. HUD requirements may be stated in the HUD-required form of application, the NOFA, or other HUD instructions.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 63 FR 23859, Apr. 30, 1998. Redesignated at 64 FR 56887, Oct. 21, 1999; 80 FR 8246, Feb. 17, 2015]

§982.104 HUD review of application.

(a) *Competitive funding under NOFA.* For competitive funding under a NOFA, HUD must evaluate an application on the basis of the selection criteria stated in the NOFA, and must consider the PHA's capacity and capability to administer the program.

(b) *Approval or disapproval of PHA funding application.* (1) HUD must notify the PHA of its approval or disapproval of the PHA funding application.

(2) When HUD approves an application, HUD must notify the PHA of the amount of approved funding.

(3) For budget authority that is distributed to PHAs by competitive process, documentation of the basis for provision or denial of assistance is available for public inspection in accordance with 24 CFR 12.14(b).

(c) *PHA disqualification.* HUD will not approve any PHA funding application (including an application for competitive funding under a NOFA) if HUD determines that the PHA is disbarred or otherwise disqualified from providing assistance under the program.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26642, May 14, 1999. Redesignated at 64 FR 56887, Oct. 21, 1999]

Subpart D—Annual Contributions Contract and PHA Administration of Program

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§982.151 Annual contributions contract.

(a) *Nature of ACC.* (1) An annual contributions contract (ACC) is a written contract between HUD and a PHA. Under the ACC, HUD agrees to make payments to the PHA, over a specified term, for housing assistance payments to owners and for the PHA administrative fee. The ACC specifies the maximum payment over the ACC term. The PHA agrees to administer the program in accordance with HUD regulations and requirements.

(2) HUD's commitment to make payments for each funding increment in the PHA program constitutes a separate ACC. However, commitments for all the funding increments in a PHA program are listed in one consolidated contractual document called the consolidated annual contributions contract (consolidated ACC). A single consolidated ACC covers funding for the PHA's HCV program. .

(b) *Budget authority.* (1) Budget authority is the maximum amount that may be paid by HUD to a PHA over the ACC term of a funding increment. Before adding a funding increment to the consolidated ACC for a PHA program, HUD reserves budget authority from amounts authorized and appropriated by the Congress for the program.

(2) For each funding increment, the ACC specifies the term over which HUD will make payments for the PHA program, and the amount of available budget authority for each funding increment. The amount to be paid to the PHA during each PHA fiscal year (including payment from the ACC reserve

account described in § 982.154) must be approved by HUD.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26642, May 14, 1999; 80 FR 8246, Feb. 17, 2015]

§ 982.152 Administrative fee.

(a) *Purposes of administrative fee.* (1) HUD may approve administrative fees to the PHA for any of the following purposes:

(i) Ongoing administrative fee;

(ii) Costs to help families who experience difficulty finding or renting appropriate housing under the program;

(iii) The following types of extraordinary costs approved by HUD:

(A) Costs to cover necessary additional expenses incurred by the PHA to provide reasonable accommodation for persons with disabilities in accordance with part 8 of this title (e.g., additional counselling costs), where the PHA is unable to cover such additional expenses from ongoing administrative fee income or the PHA administrative fee reserve;

(B) Costs of audit by an independent public accountant;

(C) Other extraordinary costs determined necessary by HUD Headquarters;

(iv) Preliminary fee (in accordance with paragraph (c) of this section);

(v) Costs to coordinate supportive services for families participating in the family self-sufficiency (FSS) program.

(2) For each PHA fiscal year, administrative fees are specified in the PHA budget. The budget is submitted for HUD approval. Fees are paid in the amounts approved by HUD. Administrative fees may only be approved or paid from amounts appropriated by the Congress.

(3) PHA administrative fees may only be used to cover costs incurred to perform PHA administrative responsibilities for the program in accordance with HUD regulations and requirements.

(b) *Ongoing administrative fee.* (1) The PHA ongoing administrative fee is paid for each program unit under HAP contract on the first day of the month. The amount of the ongoing fee is determined by HUD in accordance with Section 8(q)(1) of the 1937 Act (42 U.S.C. 1437f(q)(1)).

(2) If appropriations are available, HUD may pay a higher ongoing administrative fee for a small program or a program operating over a large geographic area. This higher fee level will not be approved unless the PHA demonstrates that it is efficiently administering its HCV program, and that the higher ongoing administrative fee is reasonable and necessary for administration of the program in accordance with HUD requirements.

(3) HUD may pay a lower ongoing administrative fee for PHA-owned units.

(c) *Preliminary fee.* (1) If the PHA was not administering a program of Section 8 tenant-based assistance prior to the merger date, HUD will pay a one-time fee in the amount of $500 in the first year the PHA administers a program. The fee is paid for each new unit added to the PHA program by the initial funding increment under the consolidated ACC.

(2) The preliminary fee is used to cover expenses the PHA incurs to help families who inquire about or apply for the program, and to lease up new program units.

(d) *Reducing PHA administrative fee.* HUD may reduce or offset any administrative fee to the PHA, in the amount determined by HUD, if the PHA fails to perform PHA administrative responsibilities correctly or adequately under the program (for example, PHA failure to enforce HQS requirements; or to reimburse a receiving PHA promptly under portability procedures).

[60 FR 23695, July 3, 1995, as amended at 63 FR 23860, Apr. 30, 1998; 64 FR 26642, May 14, 1999; 80 FR 8246, Feb. 17, 2015]

§ 982.153 PHA responsibilities.

The PHA must comply with the consolidated ACC, the application, HUD regulations and other requirements, and the PHA administrative plan.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 13627, Mar. 27, 1996; 63 FR 23860, Apr. 30, 1998]

§ 982.154 ACC reserve account.

(a) HUD may establish and maintain an unfunded reserve account for the PHA program from available budget authority under the consolidated ACC. This reserve is called the ''ACC reserve account'' (formerly ''project reserve''). There is a single ACC reserve account for the PHA program.

(b) The amount in the ACC reserve account is determined by HUD. HUD may approve payments for the PHA program, in accordance with the PHA's HUD-approved budget, from available amounts in the ACC reserve account.

[64 FR 26642, May 14, 1999]

§ 982.155 Administrative fee reserve.

(a) The PHA must maintain an administrative fee reserve (formerly ''operating reserve'') for the program. There is a single administrative fee reserve for the PHA program. The PHA must credit to the administrative fee reserve the total of:

(1) The amount by which program administrative fees paid by HUD for a PHA fiscal year exceed the PHA program administrative expenses for the fiscal year; plus

(2) Interest earned on the administrative fee reserve.

(b)(1) The PHA must use funds in the administrative fee reserve to pay program administrative expenses in excess of administrative fees paid by HUD for a PHA fiscal year. If funds in the administrative fee reserve are not needed to cover PHA administrative expenses (to the end of the last expiring funding increment under the consolidated ACC), the PHA may use these funds for other housing purposes permitted by State and local law. However, HUD may prohibit use of the funds for certain purposes.

(2) The PHA Board of Commissioners or other authorized officials must establish the maximum amount that may be charged against the administrative fee reserve without specific approval.

(3) If the PHA has not adequately administered any Section 8 program, HUD may prohibit use of funds in the administrative fee reserve, and may direct the PHA to use funds in the reserve to improve administration of the program or to reimburse ineligible expenses.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26642, May 14, 1999]

§ 982.156 Depositary for program funds.

(a) Unless otherwise required or permitted by HUD, all program receipts must be promptly deposited with a financial institution selected as depositary by the PHA in accordance with HUD requirements.

(b) The PHA may only withdraw deposited program receipts for use in connection with the program in accordance with HUD requirements.

(c) The PHA must enter into an agreement with the depositary in the form required by HUD.

(d)(1) If required under a written freeze notice from HUD to the depositary:

(i) The depositary may not permit any withdrawal by the PHA of funds held under the depositary agreement unless expressly authorized by written notice from HUD to the depositary; and

(ii) The depositary must permit withdrawals of such funds by HUD.

(2) HUD must send the PHA a copy of the freeze notice from HUD to the depositary.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

§ 982.157 Budget and expenditure.

(a) *Budget submission.* Each PHA fiscal year, the PHA must submit its proposed budget for the program to HUD for approval at such time and in such form as required by HUD.

(b) *PHA use of program receipts.* (1) Program receipts must be used in accordance with the PHA's HUD-approved budget. Such program receipts may only be used for:

(i) Housing assistance payments; and

(ii) PHA administrative fees.

(2) The PHA must maintain a system to ensure that the PHA will be able to make housing assistance payments for all participants within the amounts

contracted under the consolidated ACC.

(c) *Intellectual property rights.* Program receipts may not be used to indemnify contractors or subcontractors of the PHA against costs associated with any judgment of infringement of intellectual property rights.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26642, May 14, 1999]

§ 982.158 Program accounts and records.

(a) The PHA must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. The records must be in the form required by HUD, including requirements governing computerized or electronic forms of record-keeping. The PHA must comply with the financial reporting requirements in 24 CFR part 5, subpart H.

(b) The PHA must furnish to HUD accounts and other records, reports, documents and information, as required by HUD. For provisions on electronic transmission of required family data, see 24 CFR part 908.

(c) HUD and the Comptroller General of the United States shall have full and free access to all PHA offices and facilities, and to all accounts and other records of the PHA that are pertinent to administration of the program, including the right to examine or audit the records, and to make copies. The PHA must grant such access to computerized or other electronic records, and to any computers, equipment or facilities containing such records, and shall provide any information or assistance needed to access the records.

(d) The PHA must prepare a unit inspection report.

(e) During the term of each assisted lease, and for at least three years thereafter, the PHA must keep:

(1) A copy of the executed lease;

(2) The HAP contract; and

(3) The application from the family.

(f) The PHA must keep the following records for at least three years:

(1) Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;

(2) An application from each ineligible family and notice that the applicant is not eligible;

(3) HUD-required reports;

(4) Unit inspection reports;

(5) Lead-based paint records as required by part 35, subpart B of this title.

(6) Accounts and other records supporting PHA budget and financial statements for the program;

(7) Records to document the basis for PHA determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract); and

(8) Other records specified by HUD.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 27163, May 30, 1996; 63 FR 23860, Apr. 30, 1998; 63 FR 46593, Sept. 1, 1998; 64 FR 50229, Sept. 15, 1999; 80 FR 8246, Feb. 17, 2015]

§ 982.159 Audit requirements.

(a) The PHA must engage and pay an independent public accountant to conduct audits in accordance with HUD requirements.

(b) The PHA is subject to the audit requirements in 2 CFR part 200, subpart F.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 80 FR 75943, Dec. 7, 2015]

§ 982.160 HUD determination to administer a local program.

If the Assistant Secretary for Public and Indian Housing determines that there is no PHA organized, or that there is no PHA able and willing to implement the provisions of this part for an area, HUD (or an entity acting on behalf of HUD) may enter into HAP contracts with owners and perform the functions otherwise assigned to PHAs under this part with respect to the area.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

§ 982.161 Conflict of interest.

(a) Neither the PHA nor any of its contractors or subcontractors may enter into any contract or arrangement in connection with the HCV program in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

(1) Any present or former member or officer of the PHA (except a participant commissioner);

(2) Any employee of the PHA, or any contractor, subcontractor or agent of the PHA, who formulates policy or who influences decisions with respect to the programs;

(3) Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs; or

(4) Any member of the Congress of the United States.

(b) Any member of the classes described in paragraph (a) of this section must disclose their interest or prospective interest to the PHA and HUD.

(c) The conflict of interest prohibition under this section may be waived by the HUD field office for good cause.

[60 FR 34695, July 3, 1995, as amended at 80 FR 8246, Feb. 17, 2015]

§ 982.162 Use of HUD-required contracts and other forms.

(a) The PHA must use program contracts and other forms required by HUD headquarters, including:

(1) The consolidated ACC between HUD and the PHA;

(2) The HAP contract between the PHA and the owner; and

(3) The tenancy addendum required by HUD (which is included both in the HAP contract and in the lease between the owner and the tenant).

(b) Required program contracts and other forms must be word-for-word in the form required by HUD headquarters. Any additions to or modifications of required program contracts or other forms must be approved by HUD headquarters.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26642, May 14, 1999]

§ 982.163 Fraud recoveries.

Under 24 CFR part 792, the PHA may retain a portion of program fraud losses that the PHA recovers from a family or owner by litigation, court-order or a repayment agreement.

[60 FR 34695, July 3, 1995; 60 FR 43840, Aug. 23, 1995]

Subpart E—Admission to Tenant-Based Program

§ 982.201 Eligibility and targeting.

(a) *When applicant is eligible: General.* The PHA may admit only eligible families to the program. To be eligible, an applicant must be a ''family;'' must be income-eligible in accordance with paragraph (b) of this section and 24 CFR part 5, subpart F; and must be a citizen or a noncitizen who has eligible immigration status as determined in accordance with 24 CFR part 5, subpart E. If the applicant is a victim of domestic violence, dating violence, sexual assault, or stalking, 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking) applies.

(b) *Income*—(1) *Income-eligibility.* To be income-eligible, the applicant must be a family in any of the following categories:

(i) A ''very low income'' family;

(ii) A low-income family that is ''continuously assisted'' under the 1937 Housing Act;

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

(iv) A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a HOPE 1 (HOPE for public housing homeownership) or HOPE 2 (HOPE for homeownership of multifamily units) project. (Section 8(o)(4)(D) of the 1937 Act (42 U.S.C. 1437f(o)(4)(D));

(v) A low-income 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 as defined in § 248.101 of this title;

(vi) A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a project subject to a resident homeownership program under § 248.173 of this title.

(2) *Income-targeting.* (i) Not less than 75 percent of the families admitted to a PHA's HCV program during the PHA fiscal year from the PHA waiting list shall be extremely low income families. Annual income of such families shall be verified within the period described in paragraph (e) of this section.

(ii) A PHA may admit a lower percent of extremely low income families during a PHA fiscal year (than otherwise required under paragraph (b)(2)(i) of this section) if HUD approves the use of such lower percent by the PHA, in accordance with the PHA plan, based on HUD's determination that the following circumstances necessitate use of such lower percent by the PHA:

(A) The PHA has opened its waiting list for a reasonable time for admission of extremely low income families residing in the same metropolitan statistical area (MSA) or non-metropolitan county, both inside and outside the PHA jurisdiction;

(B) The PHA has provided full public notice of such opening to such families, and has conducted outreach and marketing to such families, including outreach and marketing to extremely low income families on the Section 8 and public housing waiting lists of other PHAs with jurisdiction in the same MSA or non-metropolitan county;

(C) Notwithstanding such actions by the PHA (in accordance with paragraphs (b)(2)(ii)(A) and (B) of this section), there are not enough extremely low income families on the PHA's waiting list to fill available slots in the program during any fiscal year for which use of a lower percent is approved by HUD; and

(D) Admission of the additional very low income families other than extremely low income families to the PHA's tenant-based voucher program will substantially address worst case housing needs as determined by HUD.

(iii) If approved by HUD, the admission of a portion of very low income welfare-to-work (WTW) families that are not extremely low income families may be disregarded in determining compliance with the PHA's income-targeting obligations under paragraph (b)(2)(i) of this section. HUD will grant such approval only if and to the extent that the PHA has demonstrated to HUD's satisfaction that compliance with such targeting obligations with respect to such portion of WTW families would interfere with the objectives of the welfare-to-work voucher program. If HUD grants such approval, admission of that portion of WTW families is not counted in the base number of families admitted to a PHA's tenant-based voucher program during the fiscal year for purposes of income targeting.

(iv) Admission of families as described in paragraphs (b)(1)(ii) or (b)(1)(v) of this section is not subject to targeting under paragraph (b)(2)(i) of this section.

(v) If the jurisdictions of two or more PHAs that administer the HCV program cover an identical geographic area, such PHAs may elect to be treated as a single PHA for purposes of targeting under paragraph (b)(2)(i) of this section. In such a case, the PHAs shall cooperate to assure that aggregate admissions by such PHAs comply with the targeting requirement. If such PHAs do not have a single fiscal year, HUD will determine which PHA's fiscal year is used for this purpose.

(vi) If a family initially leases a unit outside the PHA jurisdiction under portability procedures at admission to the HCV program, such admission shall be counted against the targeting obligation of the initial PHA (unless the receiving PHA absorbs the portable family into the receiving PHA's HCV program from the point of admission).

(3) The annual income (gross income) of an applicant family is used both for determination of income-eligibility under paragraph (b)(1) of this section and for targeting under paragraph (b)(2)(i) of this section. In determining annual income of an applicant family that includes a person with disabilities,

the determination must include the disallowance of increase in annual income as provided in 24 CFR 5.617, if applicable.

(4) The applicable income limit for issuance of a voucher when a family is selected for the program is the highest income limit (for the family size) for areas in the PHA jurisdiction. The applicable income limit for admission to the program is the income limit for the area where the family is initially assisted in the program. At admission, the family may only use the voucher to rent a unit in an area where the family is income eligible.

(c) *Family composition.* See definition of "family" in 24 CFR 5.403.

(d) *Continuously assisted.* (1) 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.

(2) The PHA must establish policies concerning whether and to what extent a brief interruption between assistance under one of these programs and admission to the voucher program will be considered to break continuity of assistance under the 1937 Housing Act.

(e) *When PHA verifies that applicant is eligible.* The PHA must receive information verifying that an applicant is eligible within the period of 60 days before the PHA issues a voucher to the applicant.

(f) *Decision to deny assistance*—(1) *Notice to applicant.* The PHA must give an applicant prompt written notice of a decision denying admission to the program (including a decision that the applicant is not eligible, or denying assistance for other reasons). The notice must give a brief statement of the reasons for the decision. The notice must also state that the applicant may request an informal review of the decision, and state how to arrange for the informal review.

(2) For description of the grounds for denying assistance because of action or inaction by the applicant, see §982.552(b) and (c) (requirement and authority to deny admission) and §982.553(a) (crime by family members).

[59 FR 36682, July 18, 1994, as amended at 60 FR 34717, July 3, 1995; 61 FR 13627, Mar. 27, 1996; 64 FR 26642, May 14, 1999; 64 FR 49658, Sept. 14, 1999; 64 FR 56911, Oct. 21, 1999; 66 FR 6226, Jan. 19, 2001; 66 FR 8174, Jan. 30, 2001; 67 FR 6820, Feb. 13, 2002; 70 FR 77744, Dec. 30, 2005; 73 FR 72344, Nov. 28, 2008; 75 FR 66263, Oct. 27, 2010; 77 FR 5676, Feb. 3, 2012; 80 FR 8246, Feb. 17, 2015; 81 FR 80816, Nov. 16, 2016]

§982.202 How applicants are selected: General requirements.

(a) *Waiting list admissions and special admissions.* The PHA may admit an applicant for participation in the program either:

(1) As a special admission (see §982.203).

(2) As a waiting list admission (see §982.204 through §982.210).

(b) *Prohibited admission criteria*—(1) *Where family lives.* Admission to the program may not be based on where the family lives before admission to the program. However, the PHA may target assistance for families who live in public housing or other federally assisted housing, or may adopt a residency preference (see §982.207).

(2) *Where family will live.* Admission to the program may not be based on where the family will live with assistance under the program.

(3) *Family characteristics.* The PHA preference system may provide a preference for admission of families with certain characteristics from the PHA waiting list. However, admission to the program may not be based on:

(i) Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock;

(ii) Discrimination because a family includes children (familial status discrimination);

(iii) Discrimination because of age, race, color, religion, sex, or national origin;

(iv) Discrimination because of disability; or

(v) Whether a family decides to participate in a family self-sufficiency program.

(c) *Applicant status.* An applicant does not have any right or entitlement to be listed on the PHA waiting list, to any particular position on the waiting list, or to admission to the programs. The preceding sentence does not affect or prejudice any right, independent of this rule, to bring a judicial action challenging an PHA violation of a constitutional or statutory requirement.

(d) *Admission policy*. The PHA must admit applicants for participation in accordance with HUD regulations and other requirements, including, but not limited to, 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), and with PHA policies stated in the PHA administrative plan and the PHA plan. The PHA admission policy must state the system of admission preferences that the PHA uses to select applicants from the waiting list, including any residency preference or other local preference.

[59 FR 36682, July 18, 1994, as amended at 60 FR 34717, July 3, 1995; 61 FR 9048, Mar. 6, 1996; 61 FR 27163, May 30, 1996; 64 FR 26643, May 14, 1999; 65 FR 16821, Mar. 30, 2000; 73 FR 72344, Nov. 28, 2008; 75 FR 66263, Oct. 27, 2010; 81 FR 80816, Nov. 16, 2016]

§ 982.203 Special admission (non-waiting list): Assistance targeted by HUD.

(a) If HUD awards a PHA program funding that is targeted for families living in specified units:

(1) The PHA must use the assistance for the families living in these units.

(2) The PHA may admit a family that is not on the PHA waiting list, or without considering the family's waiting list position. The PHA must maintain records showing that the family was admitted with HUD-targeted assistance.

(b) The following are examples of types of program funding that may be targeted for a family living in a specified unit:

(1) A family displaced because of demolition or disposition of a public housing project;

(2) A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;

(3) For housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990 (41 U.S.C. 4101 *et seq.*):

(i) A non-purchasing family residing in a project subject to a homeownership program (under 24 CFR 248.173); or

(ii) A family displaced because of mortgage prepayment or voluntary termination of a mortgage insurance contract (as provided in 24 CFR 248.165);

(4) A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; and

(5) A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

[59 FR 36682, July 18, 1994, as amended at 64 FR 26643, May 14, 1999]

§ 982.204 Waiting list: Administration of waiting list.

(a) *Admission from waiting list*. Except for special admissions, participants must be selected from the PHA waiting list. The PHA must select participants from the waiting list in accordance with admission policies in the PHA administrative plan.

(b) *Organization of waiting list*. The PHA must maintain information that permits the PHA to select participants from the waiting list in accordance with the PHA admission policies. The waiting list must contain the following information for each applicant listed:

(1) Applicant name;

(2) Family unit size (number of bedrooms for which family qualifies under PHA occupancy standards);

(3) Date and time of application;

(4) Qualification for any local preference;

(5) Racial or ethnic designation of the head of household.

(c) *Removing applicant names from the waiting list*. (1) The PHA administrative plan must state PHA policy on when applicant names may be removed from the waiting list. The policy may provide that the PHA will remove names of applicants who do not respond to PHA requests for information or updates.

(2) An PHA decision to withdraw from the waiting list the name of an applicant family that includes a person with disabilities is subject to reasonable accommodation in accordance with 24 CFR part 8. If the applicant did not respond to the PHA request for information or updates because of the family member's disability, the PHA

must reinstate the applicant in the family's former position on the waiting list.

(d) *Family size.* (1) The order of admission from the waiting list may not be based on family size, or on the family unit size for which the family qualifies under the PHA occupancy policy.

(2) If the PHA does not have sufficient funds to subsidize the family unit size of the family at the top of the waiting list, the PHA may not skip the top family to admit an applicant with a smaller family unit size. Instead, the family at the top of the waiting list will be admitted when sufficient funds are available.

(e) *Funding for specified category of waiting list families.* When HUD awards an PHA program funding for a specified category of families on the waiting list, the PHA must select applicant families in the specified category.

(f) *Number of waiting lists.* A PHA must use a single waiting list for admission to its Section 8 tenant-based assistance program. However, the PHA may use a separate single waiting list for such admissions for a county or municipality.

(Approved by the Office of Management and Budget under OMB control number 2577–0169)

[59 FR 36682, July 18, 1994, as amended at 60 FR 34717, July 3, 1995; 63 FR 23860, Apr. 30, 1998; 64 FR 26643, May 14, 1999; 65 FR 16821, Mar. 30, 2000]

§982.205 Waiting list: Different programs.

(a) *Merger and cross-listing*—(1) *Merged waiting list.* A PHA may merge the waiting list for tenant-based assistance with the PHA waiting list for admission to another assisted housing program, including a federal or local program. In admission from the merged waiting list, admission for each federal program is subject to federal regulations and requirements for the particular program.

(2) *Non-merged waiting list: Cross-listing.* If the PHA decides not to merge the waiting list for tenant-based assistance with the waiting list for the PHA's public housing program, project-based voucher program or moderate rehabilitation program:

(i) If the PHA's waiting list for tenant-based assistance is open when an applicant is placed on the waiting list for the PHA's public housing program, project-based voucher program or moderate rehabilitation program, the PHA must offer to place the applicant on its waiting list for tenant-based assistance.

(ii) If the PHA's waiting list for its public housing program, project-based voucher program or moderate rehabilitation program is open when an applicant is placed on the waiting list for its tenant-based program, and if the other program includes units suitable for the applicant, the PHA must offer to place the applicant on its waiting list for the other program.

(b) *Other housing assistance: Effect of application for, receipt or refusal.* (1) For purposes of this section, ''other housing subsidy'' means a housing subsidy other than assistance under the voucher program. Housing subsidy includes subsidy assistance under a federal housing program (including public housing), a State housing program, or a local housing program.

(2) The PHA may not take any of the following actions because an applicant has applied for, received, or refused other housing assistance:

(i) Refuse to list the applicant on the PHA waiting list for tenant-based assistance;

(ii) Deny any admission preference for which the applicant is currently qualified;

(iii) Change the applicant's place on the waiting list based on preference, date and time of application, or other factors affecting selection under the PHA selection policy; or

(iv) Remove the applicant from the waiting list.

[59 FR 36682, July 18, 1994, as amended at 61 FR 27163, May 30, 1996; 63 FR 23860, Apr. 30, 1998; 64 FR 26643, May 14, 1999; 65 FR 16821, Mar. 30, 2000; 80 FR 8246, Feb. 17, 2015]

§982.206 Waiting list: Opening and closing; public notice.

(a) *Public notice.* (1) When the PHA opens a waiting list, the PHA must give public notice that families may apply for tenant-based assistance. The public notice must state where and when to apply.

(2) The PHA must give the public notice by publication in a local newspaper of general circulation, and also by minority media and other suitable means. The notice must comply with HUD fair housing requirements.

(3) The public notice must state any limitations on who may apply for available slots in the program.

(b) *Criteria defining what families may apply.* (1) The PHA may adopt criteria defining what families may apply for assistance under a public notice.

(2) If the waiting list is open, the PHA must accept applications from families for whom the list is open unless there is good cause for not accepting the application (such as denial of assistance because of action or inaction by members of the family) for the grounds stated in §§ 982.552 and 982.553.

(c) *Closing waiting list.* If the PHA determines that the existing waiting list contains an adequate pool for use of available program funding, the PHA may stop accepting new applications, or may accept only applications meeting criteria adopted by the PHA.

(Approved by the Office of Management and Budget under control number 2577–0169)

[59 FR 36682, July 18, 1994, as amended at 60 FR 34717, July 3, 1995; 60 FR 45661, Sept. 1, 1995; 63 FR 23860, Apr. 30, 1998; 64 FR 26643, May 14, 1999]

§ 982.207 Waiting list: Local preferences in admission to program.

(a) *Establishment of PHA local preferences.* (1) The PHA may establish a system of local preferences for selection of families admitted to the program. PHA selection preferences must be described in the PHA administrative plan.

(2) The PHA system of local preferences must be based on local housing needs and priorities, as determined by the PHA. In determining such needs and priorities, the PHA shall use generally accepted data sources. The PHA shall consider public comment on the proposed public housing agency plan (as received pursuant to § 903.17 of this chapter) and on the consolidated plan for the relevant jurisdiction (as received pursuant to part 91 of this title).

(3) The PHA may limit the number of applicants that may qualify for any local preference.

(4) The PHA shall not deny a local preference, nor otherwise exclude or penalize a family in admission to the program, solely because the family resides in a public housing project. The PHA may establish a preference for families residing in public housing who are victims of a crime of violence (as defined in 18 U.S.C. 16).

(b) *Particular local preferences*—(1) *Residency requirements or preferences.* (i) Residency requirements are prohibited. Although a PHA is not prohibited from adopting a residency preference, the PHA may only adopt or implement residency preferences in accordance with non-discrimination and equal opportunity requirements listed at § 5.105(a) of this title.

(ii) A residency preference is a preference for admission of persons who reside in a specified geographic area (''residency preference area''). A county or municipality may be used as a residency preference area. An area smaller than a county or municipality may not be used as a residency preference area.

(iii) Any PHA residency preferences must be included in the statement of PHA policies that govern eligibility, selection and admission to the program, which is included in the PHA annual plan (or supporting documents) pursuant to part 903 of this title. Such policies must specify that use of a residency preference will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant family.

(iv) A residency preference must not be based on how long an applicant has resided or worked in a residency preference area.

(v) Applicants who are working or who have been notified that they are hired to work in a residency preference area must be treated as residents of the residency preference area. The PHA may treat graduates of, or active participants in, education and training programs in a residency preference area as residents of the residency preference area if the education or training program is designed to prepare individuals for the job market.

(2) *Preference for working families*. The PHA may adopt a preference for admission of working families (families where the head, spouse or sole member is employed). However, an applicant shall be given the benefit of the working family preference if the head and spouse, or sole member is age 62 or older, or is a person with disabilities.

(3) *Preference for person with disabilities*. The PHA may adopt a preference for admission of families that include a person with disabilities. However, the PHA may not adopt a preference for admission of persons with a specific disability.

(4) *Preference for victims of domestic violence, dating violence, sexual assault, or stalking*. The PHA should consider whether to adopt a local preference for admission of families that include victims of domestic violence, dating violence, sexual assault, or stalking.

(5) *Preference for single persons who are elderly, displaced, homeless, or persons with disabilities*. The PHA may adopt a preference for admission of single persons who are age 62 or older, displaced, homeless, or persons with disabilities over other single persons.

(c) *Selection among families with preference*. The PHA system of preferences may use either of the following to select among applicants on the waiting list with the same preference status:

(1) Date and time of application; or

(2) A drawing or other random choice technique.

(d) *Preference for higher-income families*. The PHA must not select families for admission to the program in an order different from the order on the waiting list for the purpose of selecting higher income families for admission to the program.

(e) *Verification of selection method*. The method for selecting applicants from a preference category must leave a clear audit trail that can be used to verify that each applicant has been selected in accordance with the method specified in the administrative plan.

[64 FR 26643, May 14, 1999, as amended at 64 FR 56912, Oct. 21, 1999; 65 FR 16821, Mar. 30, 2000; 81 FR 80816, Nov. 16, 2016]

Subpart F [Reserved]

Subpart G—Leasing a Unit

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.301 Information when family is selected.

(a) *PHA briefing of family*. (1) When the PHA selects a family to participate in a tenant-based program, the PHA must give the family an oral briefing. The briefing must include information on the following subjects:

(i) A description of how the program works;

(ii) Family and owner responsibilities; and

(iii) Where the family may lease a unit, including renting a dwelling unit inside or outside the PHA jurisdiction, and any information on selecting a unit that HUD provides.

(2) An explanation of how portability works. The PHA may not discourage the family from choosing to live anywhere in the PHA jurisdiction, or outside the PHA jurisdiction under portability procedures, unless otherwise expressly authorized by statute, regulation, PIH Notice, or court order. The family must be informed of how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process which may affect the family's assistance.

(3) The briefing must also explain the advantages of areas that do not have a high concentration of low-income families.

(4) In briefing a family that includes any disabled person, the PHA must take appropriate steps to ensure effective communication in accordance with 24 CFR 8.6.

(5) In briefing a welfare-to-work family, the PHA must include specification of any local obligations of a welfare-to-work family and an explanation that failure to meet these obligations is grounds for PHA denial of admission or termination of assistance.

(b) *Information packet*. When a family is selected to participate in the program, the PHA must give the family a packet that includes information on the following subjects:

(1) The term of the voucher, voucher suspensions, and PHA policy on any extensions of the term. If the PHA allows extensions, the packet must explain how the family can request an extension;

(2) How the PHA determines the amount of the housing assistance payment for a family, including:

(i) How the PHA determines the payment standard for a family; and

(ii) How the PHA determines the total tenant payment for a family.

(3) How the PHA determines the maximum rent for an assisted unit;

(4) Where the family may lease a unit and an explanation of how portability works, including information on how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process which may affect the family's assistance.

(5) The HUD-required "tenancy addendum" that must be included in the lease;

(6) The form that the family uses to request PHA approval of the assisted tenancy, and an explanation of how to request such approval;

(7) A statement of the PHA policy on providing information about a family to prospective owners;

(8) PHA subsidy standards, including when the PHA will consider granting exceptions to the standards;

(9) Materials (*e.g.*, brochures) on how to select a unit and any additional information on selecting a unit that HUD provides.

(10) Information on federal, State and local equal opportunity laws, and a copy of the housing discrimination complaint form;

(11) A list of landlords known to the PHA who may be willing to lease a unit to the family or other resources (*e.g.*, newspapers, organizations, online search tools) known to the PHA that may assist the family in locating a unit. PHAs must ensure that the list of landlords or other resources covers areas outside of poverty or minority concentration.

(12) Notice that if the family includes a disabled person, the family may request a current listing of accessible units known to the PHA that may be available;

(13) Family obligations under the program;

(14) Family obligations under the program, including any obligations of a welfare-to-work family.

(15) The advantages of areas that do not have a high concentration of low-income families.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 27163, May 30, 1996; 64 FR 26644, May 14, 1999; 64 FR 50229, Sept. 15, 1999; 64 FR 56912, Oct. 21, 1999; 80 FR 50572, Aug. 20, 2015; 80 FR 52619, Sept. 1, 2015]

§ 982.302 Issuance of voucher; Requesting PHA approval of assisted tenancy.

(a) When a family is selected, or when a participant family wants to move to another unit, the PHA issues a voucher to the family. The family may search for a unit.

(b) If the family finds a unit, and the owner is willing to lease the unit under the program, the family may request PHA approval of the tenancy. The PHA has the discretion whether to permit the family to submit more than one request at a time.

(c) The family must submit to the PHA a request for approval of the tenancy and a copy of the lease, including the HUD-prescribed tenancy addendum. The request must be submitted during the term of the voucher.

(d) The PHA specifies the procedure for requesting approval of the tenancy. The family must submit the request for approval of the tenancy in the form and manner required by the PHA.

[64 FR 26644, May 14, 1999]

§ 982.303 Term of voucher.

(a) *Initial term.* The initial term of a voucher must be at least 60 calendar days. The initial term must be stated on the voucher.

(b) *Extensions of term.* (1) At its discretion, the PHA may grant a family one or more extensions of the initial voucher term in accordance with PHA policy as described in the PHA administrative plan. Any extension of the term is granted by PHA notice to the family.

(2) If the family needs and requests an extension of the initial voucher term as a reasonable accommodation, in accordance with part 8 of this title, to make the program accessible to a family member who is a person with disabilities, the PHA must extend the voucher term up to the term reasonably required for that purpose.

(c) *Suspension of term.* The PHA must provide for suspension of the initial or any extended term of the voucher from the date that the family submits a request for PHA approval of the tenancy until the date the PHA notifies the family in writing whether the request has been approved or denied.

(d) *Progress report by family to the PHA.* During the initial or any extended term of a voucher, the PHA may require the family to report progress in leasing a unit. Such reports may be required at such intervals or times as determined by the PHA.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 63 FR 23860, Apr. 30, 1998; 64 FR 26644, May 14, 1999; 64 FR 56913, Oct. 21, 1999; 80 FR 50573, Aug. 20, 2015]

§ 982.304 Illegal discrimination: PHA assistance to family.

A family may claim that illegal discrimination because of race, color, religion, sex, national origin, age, familial status or disability prevents the family from finding or leasing a suitable unit with assistance under the program. The PHA must give the family information on how to fill out and file a housing discrimination complaint.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

§ 982.305 PHA approval of assisted tenancy.

(a) *Program requirements.* The PHA may not give approval for the family of the assisted tenancy, or execute a HAP contract, until the PHA has determined that all the following meet program requirements:

(1) The unit is eligible;

(2) The unit has been inspected by the PHA and passes HQS;

(3) The lease includes the tenancy addendum;

(4) The rent to owner is reasonable; and

(5) At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, and where the gross rent of the unit exceeds the applicable payment standard for the family, the family share does not exceed 40 percent of the family's monthly adjusted income.

(b) *Actions before lease term.* (1) All of the following must always be completed before the beginning of the initial term of the lease for a unit:

(i) The PHA has inspected the unit and has determined that the unit satisfies the HQS;

(ii) The landlord and the tenant have executed the lease (including the HUD-prescribed tenancy addendum, and the lead-based paint disclosure information as required in § 35.92(b) of this title); and

(iii) The PHA has approved leasing of the unit in accordance with program requirements.

(2)(i) The PHA must inspect the unit, determine whether the unit satisfies the HQS, and notify the family and owner of the determination:

(A) In the case of a PHA with up to 1250 budgeted units in its tenant-based program, within fifteen days after the family and the owner submit a request for approval of the tenancy.

(B) In the case of a PHA with more than 1250 budgeted units in its tenant-based program, within a reasonable time after the family submits a request for approval of the tenancy. To the extent practicable, such inspection and determination must be completed within fifteen days after the family and the owner submit a request for approval of the tenancy.

(ii) The fifteen day clock (under paragraph (b)(2)(i)(A) or paragraph (b)(2)(i)(B) of this section) is suspended during any period when the unit is not available for inspection.

(3) In the case of a unit subject to a lease-purchase agreement, the PHA must provide written notice to the family of the environmental requirements that must be met before commencing homeownership assistance for the family (see § 982.626(c)).

(c) *When HAP contract is executed.* (1) The PHA must use best efforts to execute the HAP contract before the beginning of the lease term. The HAP contract must be executed no later than 60 calendar days from the beginning of the lease term.

(2) The PHA may not pay any housing assistance payment to the owner until the HAP contract has been executed.

(3) If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, the PHA will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract), to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).

(4) Any HAP contract executed after the 60 day period is void, and the PHA may not pay any housing assistance payment to the owner.

(d) *Notice to family and owner.* After receiving the family's request for approval of the assisted tenancy, the PHA must promptly notify the family and owner whether the assisted tenancy is approved.

(e) *Procedure after PHA approval.* If the PHA has given approval for the family of the assisted tenancy, the owner and the PHA execute the HAP contract.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26644, May 14, 1999; 64 FR 56913, Oct. 21, 1999; 64 FR 59622, Nov. 3, 1999; 65 FR 16818, Mar. 30, 2000; 65 FR 55161, Sept. 12, 2000; 69 FR 34276, June 21, 2004; 80 FR 8246, Feb. 17, 2015]

§ 982.306 PHA disapproval of owner.

(a) The PHA must not approve an assisted tenancy if the PHA has been informed (by HUD or otherwise) that the owner is debarred, suspended, or subject to a limited denial of participation under 2 CFR part 2424.

(b) When directed by HUD, the PHA must not approve an assisted tenancy if:

(1) The federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements, and such action is pending; or

(2) A court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

(c) In its administrative discretion, the PHA may deny approval of an assisted tenancy for any of the following reasons:

(1) The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);

(2) The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

(3) The owner has engaged in any drug-related criminal activity or any violent criminal activity;

(4) The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program;

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

(i) Threatens the right to peaceful enjoyment of the premises by other residents;

(ii) Threatens the health or safety of other residents, of employees of the PHA, or of owner employees or other persons engaged in management of the housing;

(iii) Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or

(iv) Is drug-related criminal activity or violent criminal activity; or

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

(7) The owner has not paid State or local real estate taxes, fines or assessments.

(d) The PHA must not approve a unit if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless the PHA determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities. This restriction against PHA approval of a unit only applies at the time a family initially receives tenant-based assistance for occupancy of a particular unit, but does not apply to PHA approval of a new tenancy with continued tenant-based assistance in the same unit.

(e) Nothing in this rule is intended to give any owner any right to participate in the program.

(f) For purposes of this section, ''owner'' includes a principal or other interested party.

[60 FR 34695, July 3, 1995, as amended at 63 FR 27437, May 18, 1998; 64 FR 26644, May 14, 1999; 64 FR 56913, Oct. 21, 1999; 65 FR 16821, Mar. 30, 2000; 72 FR 73496, Dec. 27, 2007]

§982.307 Tenant screening.

(a) *PHA option and owner responsibility.* (1) The PHA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy. However, the PHA may opt to screen applicants for family behavior or suitability for tenancy. The PHA must conduct any such screening of applicants in accordance with policies stated in the PHA administrative plan.

(2) The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before PHA approval of the tenancy, the PHA must inform the owner that screening and selection for tenancy is the responsibility of the owner.

(3) The owner is responsible for screening of families on the basis of their tenancy histories. An owner may consider a family's background with respect to such factors as:

(i) Payment of rent and utility bills;

(ii) Caring for a unit and premises;

(iii) Respecting the rights of other residents to the peaceful enjoyment of their housing;

(iv) Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and

(v) Compliance with other essential conditions of tenancy.

(b) *PHA information about tenant.* (1) The PHA must give the owner:

(i) The family's current and prior address (as shown in the PHA records); and

(ii) The name and address (if known to the PHA) of the landlord at the family's current and prior address.

(2) When a family wants to lease a dwelling unit, the PHA may offer the owner other information in the PHA possession, about the family, including information about the tenancy history of family members, or about drug-trafficking by family members.

(3) The PHA must give the family a statement of the PHA policy on providing information to owners. The statement must be included in the information packet that is given to a family selected to participate in the program. The PHA policy must provide that the PHA will give the same types of information to all families and to all owners.

(4) In cases involving a victim of domestic violence, dating violence, sexual assault, or stalking, 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking) applies.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 27163, May 30, 1996; 64 FR 26645, May 14, 1999; 64 FR 49658, Sept. 14, 1999; 73 FR 72344, Nov. 28, 2008; 75 FR 66263, Oct. 27, 2010; 81 FR 80816, Nov. 16, 2016]

§982.308 Lease and tenancy.

(a) *Tenant's legal capacity.* The tenant must have legal capacity to enter a lease under State and local law. ''Legal capacity'' means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

(b) *Form of lease.* (1) The tenant and the owner must enter a written lease for the unit. The lease must be executed by the owner and the tenant.

(2) If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form (plus the HUD-prescribed tenancy addendum). If the owner does not use a

standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a PHA model lease (including the HUD-prescribed tenancy addendum). The HAP contract prescribed by HUD will contain the owner's certification that if the owner uses a standard lease form for rental to unassisted tenants, the lease is in such standard form.

(c) *State and local law.* The PHA may review the lease to determine if the lease complies with State and local law. The PHA may decline to approve the tenancy if the PHA determines that the lease does not comply with State or local law.

(d) *Required information.* The lease must specify all of the following:

(1) The names of the owner and the tenant;

(2) The unit rented (address, apartment number, and any other information needed to identify the contract unit);

(3) The term of the lease (initial term and any provisions for renewal);

(4) The amount of the monthly rent to owner; and

(5) A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family.

(e) *Reasonable rent.* The rent to owner must be reasonable (see § 982.507).

(f) *Tenancy addendum.* (1) The HAP contract form required by HUD shall include an addendum (the ''tenancy addendum''), that sets forth:

(i) The tenancy requirements for the program (in accordance with this section and §§ 982.309 and 982.310); and

(ii) The composition of the household as approved by the PHA (family members and any PHA-approved live-in aide).

(2) All provisions in the HUD-required tenancy addendum must be added word-for-word to the owner's standard form lease that is used by the owner for unassisted tenants. The tenant shall have the right to enforce the tenancy addendum against the owner, and the terms of the tenancy addendum shall prevail over any other provisions of the lease.

(g) *Changes in lease or rent.* (1) If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and the owner must immediately give the PHA a copy of such changes. The lease, including any changes, must be in accordance with the requirements of this section.

(2) In the following cases, tenant-based assistance shall not be continued unless the PHA has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner:

(i) If there are any changes in lease requirements governing tenant or owner responsibilities for utilities or appliances;

(ii) If there are any changes in lease provisions governing the term of the lease;

(iii) If the family moves to a new unit, even if the unit is in the same building or complex.

(3) PHA approval of the tenancy, and execution of a new HAP contract, are not required for changes in the lease other than as specified in paragraph (g)(2) of this section.

(4) The owner must notify the PHA of any changes in the amount of the rent to owner at least sixty days before any such changes go into effect, and any such changes shall be subject to rent reasonableness requirements (see § 982.503).

[64 FR 26645, May 14, 1999, as amended at 64 FR 56913, Oct. 21, 1999]

§ 982.309 Term of assisted tenancy.

(a) *Initial term of lease.* (1) Except as provided in paragraph (a)(2) of this section, the initial lease term must be for at least one year.

(2) The PHA may approve a shorter initial lease term if the PHA determines that:

(i) Such shorter term would improve housing opportunities for the tenant; and

(ii) Such shorter term is the prevailing local market practice.

(3) During the initial term of the lease, the owner may not raise the rent to owner.

(4) The PHA may execute the HAP contract even if there is less than one year remaining from the beginning of the initial lease term to the end of the last expiring funding increment under the consolidated ACC.

(b) *Term of HAP contract.* (1) The term of the HAP contract begins on the first day of the lease term and ends on the last day of the lease term.

(2) The HAP contract terminates if any of the following occurs:

(i) The lease is terminated by the owner or the tenant;

(ii) The PHA terminates the HAP contract; or

(iii) The PHA terminates assistance for the family.

(c) *Family responsibility.* (1) If the family terminates the lease on notice to the owner, the family must give the PHA a copy of the notice of termination at the same time. Failure to do this is a breach of family obligations under the program.

(2) The family must notify the PHA and the owner before the family moves out of the unit. Failure to do this is a breach of family obligations under the program.

[64 FR 26645, May 14, 1999]

§982.310 Owner termination of tenancy.

(a) *Grounds.* During the term of the lease, the owner may not terminate the tenancy except on the following grounds:

(1) Serious violation (including but not limited to failure to pay rent or other amounts due under the lease) or repeated violation of the terms and conditions of the lease;

(2) Violation of federal, State, or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or

(3) Other good cause.

(b) *Nonpayment by PHA: Not grounds for termination of tenancy.* (1) The family is not responsible for payment of the portion of the rent to owner covered by the housing assistance payment under the HAP contract between the owner and the PHA.

(2) The PHA failure to pay the housing assistance payment to the owner is not a violation of the lease between the tenant and the owner. During the term of the lease the owner may not terminate the tenancy of the family for nonpayment of the PHA housing assistance payment.

(c) *Criminal activity*—(1) *Evicting drug criminals due to drug crime on or near the premises.* The lease must provide that drug-related criminal activity engaged in, on or near the premises by any tenant, household member, or guest, or such activity engaged in on the premises by any other person under the tenant's control, is grounds for the owner to terminate tenancy. In addition, the lease must provide that the owner may evict a family when the owner determines that a household member is illegally using a drug or when the owner determines that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(2) *Evicting other criminals.* (i) *Threat to other residents.* The lease must provide that the owner may terminate tenancy for any of the following types of criminal activity by a covered person:

(A) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises);

(B) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises; or

(C) Any violent criminal activity on or near the premises by a tenant, household member, or guest, or any such activity on the premises by any other person under the tenant's control.

(ii) *Fugitive felon or parole violator.* The lease must provide that the owner may terminate the tenancy if a tenant is:

(A) Fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or

(B) Violating a condition of probation or parole imposed under Federal or State law.

(3) *Evidence of criminal activity.* The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person in accordance with this section if the

owner determines that the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity and without satisfying the standard of proof used for a criminal conviction. (See part 5, subpart J, of this title for provisions concerning access to criminal records.)

(d) *Other good cause.* (1) ''Other good cause'' for termination of tenancy by the owner may include, but is not limited to, any of the following examples:

(i) Failure by the family to accept the offer of a new lease or revision;

(ii) A family history of disturbance of neighbors or destruction of property, or of living or housekeeping habits resulting in damage to the unit or premises;

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

(iv) A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rental).

(2) During the initial lease term, the owner may not terminate the tenancy for ''other good cause'', unless the owner is terminating the tenancy because of something the family did or failed to do. For example, during this period, the owner may not terminate the tenancy for ''other good cause'' based on any of the following grounds: failure by the family to accept the offer of a new lease or revision; the owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or a business or economic reason for termination of the tenancy (see paragraph (d)(1)(iv) of this section).

(e) *Owner notice*—(1) *Notice of grounds.* (i) The owner must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the owner has given this notice, and the notice must be given at or before commencement of the eviction action.

(ii) The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

(2) *Eviction notice.* (i) Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under State or local law to commence an eviction action.

(ii) The owner must give the PHA a copy of any owner eviction notice to the tenant.

(f) *Eviction by court action.* The owner may only evict the tenant from the unit by instituting a court action.

(g) *Regulations not applicable.* 24 CFR part 247 (concerning evictions from certain subsidized and HUD-owned projects) does not apply to a tenancy assisted under this part 982.

(h) *Termination of tenancy decisions*—(1) *General.* If the law and regulation permit the owner to take an action but do not require action to be taken, the owner may take or not take the action in accordance with the owner's standards for eviction. The owner may consider all of the circumstances relevant to a particular eviction case, such as:

(i) The seriousness of the offending action;

(ii) The effect on the community of denial or termination or the failure of the owner to take such action;

(iii) The extent of participation by the leaseholder in the offending action;

(iv) The effect of denial of admission or termination of tenancy on household members not involved in the offending activity;

(v) The demand for assisted housing by families who will adhere to lease responsibilities;

(vi) The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;

(vii) The effect of the owner's action on the integrity of the program.

(2) *Exclusion of culpable household member.* The owner may require a tenant to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

(3) *Consideration of rehabilitation.* In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the

owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

(4) *Nondiscrimination limitation and protection for victims of domestic violence, dating violence, sexual assault, or stalking.* The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions of 24 CFR 5.105, and with the provisions for protection of victims of domestic violence, dating violence, sexual assault, or stalking in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking).

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26645, May 14, 1999; 64 FR 56913, Oct. 21, 1999; 66 FR 28804, May 24, 2001; 73 FR 72344, Nov. 28, 2008; 75 FR 66263, Oct. 27, 2010; 81 FR 80816, Nov. 16, 2016]

§ 982.311 When assistance is paid.

(a) *Payments under HAP contract.* Housing assistance payments are paid to the owner in accordance with the terms of the HAP contract. Housing assistance payments may only be paid to the owner during the lease term, and while the family is residing in the unit.

(b) *Termination of payment: When owner terminates the lease.* Housing assistance payments terminate when the lease is terminated by the owner in accordance with the lease. However, if the owner has commenced the process to evict the tenant, and if the family continues to reside in the unit, the PHA must continue to make housing assistance payments to the owner in accordance with the HAP contract until the owner has obtained a court judgment or other process allowing the owner to evict the tenant. The PHA may continue such payments until the family moves from or is evicted from the unit.

(c) *Termination of payment: Other reasons for termination.* Housing assistance payments terminate if:

(1) The lease terminates;

(2) The HAP contract terminates; or

(3) The PHA terminates assistance for the family.

(d) *Family move-out.* (1) If the family moves out of the unit, the PHA may not make any housing assistance payment to the owner for any month after the month when the family moves out. The owner may keep the housing assistance payment for the month when the family moves out of the unit.

(2) If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy.

[60 FR 34695, July 3, 1995, as amended at 80 FR 8246, Feb. 17, 2015]

§ 982.312 Absence from unit.

(a) The family may be absent from the unit for brief periods. For longer absences, the PHA administrative plan establishes the PHA policy on how long the family may be absent from the assisted unit. However, the family may not be absent from the unit for a period of more than 180 consecutive calendar days in any circumstance, or for any reason. At its discretion, the PHA may allow absence for a lesser period in accordance with PHA policy.

(b) Housing assistance payments terminate if the family is absent for longer than the maximum period permitted. The term of the HAP contract and assisted lease also terminate.

(The owner must reimburse the PHA for any housing assistance payment for the period after the termination.)

(c) Absence means that no member of the family is residing in the unit.

(d)(1) The family must supply any information or certification requested by the PHA to verify that the family is residing in the unit, or relating to family absence from the unit. The family must cooperate with the PHA for this purpose. The family must promptly notify the PHA of absence from the unit, including any information requested on the purposes of family absences.

(2) The PHA may adopt appropriate techniques to verify family occupancy or absence, including letters to the family at the unit, phone calls, visits or questions to the landlord or neighbors.

(e) The PHA administrative plan must state the PHA policies on family absence from the dwelling unit. The PHA absence policy includes:

(1) How the PHA determines whether or when the family may be absent, and for how long. For example, the PHA may establish policies on absences because of vacation, hospitalization or imprisonment; and

(2) Any provision for resumption of assistance after an absence, including readmission or resumption of assistance to the family.

§ 982.313 Security deposit: Amounts owed by tenant.

(a) The owner may collect a security deposit from the tenant.

(b) The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

(c) 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.

(d) 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.

(e) 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.

§ 982.315 Family break-up.

(a)(1) The PHA has discretion to determine which members of an assisted family continue to receive assistance in the program if the family breaks up. The PHA administrative plan must state PHA policies on how to decide who remains in the program if the family breaks up.

(2) If the family break-up results from an occurrence of domestic violence, dating violence, sexual assault, or stalking as provided in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), the PHA must ensure that the victim retains assistance.

(b) The factors to be considered in making this decision under the PHA policy may include:

(1) Whether the assistance should remain with family members remaining in the original assisted unit.

(2) The interest of minor children or of ill, elderly, or disabled family members.

(3) Whether family members are forced to leave the unit as a result of actual or threatened domestic violence, dating violence, sexual assault, or stalking.

(4) Whether any of the family members are receiving protection as victims of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L, and whether the abuser is still in the household.

(5) Other factors specified by the PHA.

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

[60 FR 34695, July 3, 1995, as amended at 75 FR 66264, Oct. 27, 2010; 80 FR 8246, Feb. 17, 2015; 81 FR 80816, Nov. 16, 2016]

§ 982.316 Live-in aide.

(a) A family that consists of one or more elderly, near-elderly or disabled persons may request that the PHA approve a live-in aide to reside in the unit and provide necessary supportive services for a family member who is a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR part 8 to make the program accessible to and usable by the family member with a disability. (See § 982.402(b)(6) concerning effect of live-in aide on family unit size.)

(b) At any time, the PHA may refuse to approve a particular person as a live-in aide, or may withdraw such approval, if:

(1) The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

(2) The person commits drug-related criminal activity or violent criminal activity; or

(3) The person currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

[63 FR 23860, Apr. 30, 1998; 63 FR 31625, June 10, 1998]

§ 982.317 Lease-purchase agreements.

(a) A family leasing a unit with assistance under the program may enter into an agreement with an owner to purchase the unit. So long as the family is receiving such rental assistance, all requirements applicable to families otherwise leasing units under the tenant-based program apply. Any homeownership premium (e.g., increment of value attributable to the value of the lease-purchase right or agreement such as an extra monthly payment to accumulate a downpayment or reduce the purchase price) included in the rent to the owner that would result in a higher subsidy amount than would otherwise be paid by the PHA must be absorbed by the family.

(b) In determining whether the rent to owner for a unit subject to a lease-purchase agreement is a reasonable amount in accordance with § 982.503, any homeownership premium paid by the family to the owner must be excluded when the PHA determines rent reasonableness.

[65 FR 55162, Sept. 12, 2000]

Subpart H—Where Family Can Live and Move

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.351 Overview.

This subpart describes what kind of housing is eligible for leasing, and the areas where a family can live with tenant-based assistance. The subpart covers:

(a) Assistance for a family that rents a dwelling unit in the jurisdiction of the PHA that originally selected the family for tenant-based assistance.

(b) ''Portability'' assistance for a family PHA rents a unit outside the jurisdiction of the initial PHA.

§ 982.352 Eligible housing.

(a) *Ineligible housing.* The following types of housing may not be assisted by a PHA in the tenant-based programs:

(1) A public housing or Indian housing unit;

(2) A unit receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C. 1437f);

(3) Nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services;

(4) College or other school dormitories;

(5) Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;

(6) A unit occupied by its owner or by a person with any interest in the unit.

(7) For provisions on PHA disapproval of an owner, see § 982.306.

(b) *PHA-owned housing.* (1) A unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA) may only be assisted under the tenant-based program if all the following conditions are satisfied:

(i) The PHA must inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease, and a PHA-owned unit is freely selected by the family, without PHA pressure or steering.

(ii) The unit is not ineligible housing.

(iii) During assisted occupancy, the family may not benefit from any form of housing subsidy that is prohibited under paragraph (c) of this section.

(iv)(A) The PHA must obtain the services of an independent entity to perform the following PHA functions as required under the program rule:

(*1*) To determine rent reasonableness in accordance with § 982.507. The independent agency shall communicate the rent reasonableness determination to the family and the PHA.

(*2*) To assist the family negotiate the rent to owner in accordance with § 982.506.

(*3*) To inspect the unit for compliance with the HQS in accordance with § 982.305(a) and § 982.405 (except that § 982.405(e) is not applicable). The independent agency shall communicate the results of each such inspection to the family and the PHA.

(B) The independent agency used to perform these functions must be approved by HUD. The independent agency may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government), or may be another HUD-approved independent agency.

(C) The PHA may compensate the independent agency from PHA ongoing administrative fee income for the services performed by the independent agency. The PHA may not use other program receipts to compensate the independent agency for such services. The PHA and the independent agency may not charge the family any fee or charge for the services provided by the independent agency.

(c) *Prohibition against other housing subsidy.* A family may not receive the benefit of tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

(1) Public or Indian housing assistance;

(2) Other Section 8 assistance (including other tenant-based assistance);

(3) Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974);

(4) Section 101 rent supplements;

(5) Section 236 rental assistance payments;

(6) Tenant-based assistance under the HOME Program;

(7) Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration);

(8) Any local or State rent subsidy;

(9) Section 202 supportive housing for the elderly;

(10) Section 811 supportive housing for persons with disabilities;

(11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance); or

(12) Any other duplicative federal, State, or local housing subsidy, as determined by HUD. For this purpose, ''housing subsidy'' does not include the housing component of a welfare payment, a social security payment received by the family, or a rent reduction because of a tax credit.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 63 FR 23860, Apr. 30, 1998; 64 FR 13057, Mar. 16, 1999; 64 FR 26645, May 14, 1999; 65 FR 55162, Sept. 12, 2000]

§ 982.353 Where family can lease a unit with tenant-based assistance.

(a) *Assistance in the initial PHA jurisdiction.* The family may receive tenant-based assistance to lease a unit located anywhere in the jurisdiction (as determined by State and local law) of the initial PHA. HUD may nevertheless restrict the family's right to lease such a unit anywhere in such jurisdiction if HUD determines that limitations on a family's opportunity to select among available units in that jurisdiction are appropriate to achieve desegregation goals in accordance with obligations generated by a court order or consent decree.

(b) *Portability: Assistance outside the initial PHA jurisdiction.* Subject to paragraph (c) of this section, and to § 982.552 and § 982.553, a voucher-holder or participant family has the right to receive tenant-based voucher assistance, in accordance with requirements of this part, to lease a unit outside the initial

PHA jurisdiction, anywhere in the United States, in the jurisdiction of a PHA with a tenant-based program under this part. The initial PHA must not provide such portable assistance for a participant if the family has moved out of the assisted unit in violation of the lease except as provided for in this subsection. If the family moves out in violation of the lease in order to protect the health or safety of a person who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believes him- or herself to be threatened with imminent harm from further violence by remaining in the dwelling unit (or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's move or request to move), and has otherwise complied with all other obligations under the Section 8 program, the family may receive a voucher from the initial PHA and move to another jurisdiction under the Housing Choice Voucher Program.

(c) *Nonresident applicants.* (1) This paragraph (c) applies if neither the household head nor spouse of an assisted family already had a ''domicile'' (legal residence) in the jurisdiction of the initial PHA at the time when the family first submitted an application for participation in the program to the initial PHA.

(2) The following apply during the 12 month period from the time when a family described in paragraph (c)(1) of this section is admitted to the program:

(i) The family may lease a unit anywhere in the jurisdiction of the initial PHA;

(ii) The family does not have any right to portability;

(iii) The initial PHA may choose to allow portability during this period.

(3) If the initial PHA approves, the family may lease a unit outside the PHA jurisdiction under portability procedures.

(4) Paragraph (c) of this section does not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), and the move is needed to protect the health or safety of the family or family member, or any family member who has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move.

(d) *Income eligibility.* (1) For admission to the program, a family must be income eligible in the area where the family initially leases a unit with assistance under the program.

(2) If a family is a participant in the initial PHA's voucher program, income eligibility is not redetermined when the family moves to the receiving PHA program under portability procedures.

(e) *Freedom of choice.* The PHA may not directly or indirectly reduce the family's opportunity to select among available units, except as provided in paragraph (a) of this section, or elsewhere in this part 982 (e.g., prohibition on the use of ineligible housing, housing not meeting HQS, or housing for which the rent to owner exceeds a reasonable rent). However, the PHA must provide families the information required in §982.301 for both the oral briefing and the information packet to ensure that they have the information they need to make an informed decision on their housing choice.

[60 FR 34695, July 3, 1995, as amended at 61 FR 27163, May 30, 1996; 61 FR 42131, Aug. 13, 1996; 64 FR 26646, May 14, 1999; 73 FR 72344, Nov. 28, 2008; 75 FR 66264, Oct. 27, 2010; 80 FR 50573, Aug. 20, 2015; 81 FR 80816, Nov. 16, 2016]

§982.354 Move with continued tenant-based assistance.

(a) *Applicability.* This section states when a participant family may move to a new unit with continued tenant-based assistance:

(b) *When family may move.* A family may move to a new unit if:

(1) The assisted lease for the old unit has terminated. This includes a termination because:

(i) The PHA has terminated the HAP contract for the owner's breach; or

(ii) The lease has terminated by mutual agreement of the owner and the tenant.

(2) The owner has given the tenant 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 tenant.

(3) The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner, for owner breach, or otherwise).

(4) The family or a member of the family, is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), and the move is needed to protect the health or safety of the family or family member, or if any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move. A PHA may not terminate assistance if the family, with or without prior notification to the PHA, moves out of a unit in violation of the lease, if such move occurs to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believed he or she was threatened with imminent harm from further violence if he or she remained in the dwelling unit. However, any family member that has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's move or request to move is not required to believe that he or she was threatened with imminent harm from further violence if he or she remained in the dwelling unit.

(c) *How many moves.* (1) A participant family may move with continued assistance under the program, either inside the PHA jurisdiction, or under the portability procedures (See § 982.353) in accordance with the PHA's policies.

(2) Consistent with applicable civil rights laws and regulations, the PHA may establish policies that:

(i) Prohibit any move by the family during the initial lease term;

(ii) Prohibit more than one move by the family during any one-year period; and

(iii) The above policies do not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L, and the move is needed to protect the health or safety of the family or family member, or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move.

(d) *Notice that family wants to move.* If the family wants to move to a new unit, the family must notify the PHA and the owner before moving from the old unit. If the family wants to move to a new unit that is located outside the initial PHA jurisdiction, the notice to the initial PHA must specify the area where the family wants to move. See portability procedures in subpart H of this part.

(e) *When the PHA may deny permission to move.* (1) The PHA may deny permission to move if the PHA does not have sufficient funding for continued assistance. The PHA must provide written notification to the local HUD Office within 10 business days of determining it is necessary to deny moves to a higher-cost unit based on insufficient funding.

(2) At any time, the PHA may deny permission to move in accordance with § 982.552 (grounds for denial or termination of assistance).

[60 FR 34695, July 3, 1995, as amended at 64 FR 56913, Oct. 21, 1999; 75 FR 66263, Oct. 27, 2010. Redesignated and amended at 80 FR 50573, Aug. 20, 2015; 81 FR 80817, Nov. 16, 2016]

§ 982.355 Portability: Administration by initial and receiving PHA.

(a) *General.* When a family moves under portability (in accordance with § 982.353(b)) to an area outside the initial PHA jurisdiction, the receiving PHA must administer assistance for the family if a PHA with a HCV program has jurisdiction in the area where the unit is located.

(b) *Requirement to administer assistance.* A receiving PHA cannot refuse to assist incoming portable families or direct them to another neighboring PHA for assistance. If there is more than one such PHA, the initial PHA provides the family with the contact information for the receiving PHAs that serve the area, and the family selects the receiving PHA. The family must inform the initial PHA which PHA it has selected as the receiving PHA. In cases where the family prefers not to select the receiving PHA, the initial PHA selects the receiving PHA on behalf of the family. HUD may determine in certain instances that a PHA is not required to accept incoming portable families, such as a PHA in a declared disaster area. However, the PHA must have approval in writing from HUD before refusing any incoming portable families.

(c) *Portability procedures.* The following portability procedures must be followed:

(1) When the family decides to use the voucher outside of the PHA jurisdiction, the family must notify the initial PHA of its desire to relocate and must specify the location where it wants to live.

(2) The initial PHA must determine the family's eligibility to move in accordance with §§ 982.353 and 982.354.

(3) Once the receiving PHA is determined in accordance with paragraph (b) of this section, the initial PHA must contact the receiving PHA, via email or other confirmed delivery method, prior to approving the family's request to move in order to determine whether the voucher will be absorbed or billed by the receiving PHA. The receiving PHA must advise the initial PHA in writing, via email or other confirmed delivery method, of its decision.

(4) If the receiving PHA notifies the initial PHA that it will absorb the voucher, the receiving PHA cannot reverse its decision at a later date without consent of the initial PHA.

(5) If the receiving PHA will bill the initial PHA for the portability voucher and the cost of the HAP will increase due to the move, the initial PHA may deny the move if it does not have sufficient funding for continued assistance in accordance with § 982.354 (e)(1).

(6) If a billing arrangement is approved by the initial PHA or if the voucher is to be absorbed by the receiving PHA, the initial PHA must issue the family a voucher to move, if it has not already done so, and advise the family how to contact and request assistance from the receiving PHA.

(7) The initial PHA must promptly notify the receiving PHA to expect the family. The initial PHA must give the receiving PHA the form HUD–52665, the most recent form HUD 50058 (Family Report) for the family, and all related verification information.

(8) The family must promptly contact the receiving PHA in order to be informed of the receiving PHA's procedures for incoming portable families and comply with these procedures. The family's failure to comply may result in denial or termination of the receiving PHA's voucher.

(9) The receiving PHA does not redetermine eligibility for a participant family. However, for a family that was not already receiving assistance in the PHA's HCV program, the initial PHA must determine whether the family is eligible for admission to the receiving PHA's HCV program. In determining income eligibility, the receiving PHA's income limits are used by the initial PHA.

(10) When a receiving PHA assists a family under portability, administration of the voucher must be in accordance with the receiving PHA's policies. This requirement also applies to policies of Moving to Work agencies. The receiving PHA procedures and preferences for selection among eligible applicants do not apply to the family, and the receiving PHA waiting list is not used.

(11) If the receiving PHA opts to conduct a new reexamination for a current participant family, the receiving PHA may not delay issuing the family a voucher or otherwise delay approval of a unit.

(12) The receiving PHA must determine the family unit size for the family, and base its determination on the subsidy standards of the receiving PHA.

(13) The receiving PHA must issue a voucher to the family. The term of the receiving PHA voucher may not expire before 30 calendar days from the expiration date of the initial PHA voucher. If the voucher expires before the family arrives at the receiving PHA, the receiving PHA must contact the initial

PHA to determine if it will extend the voucher.

(14) Once the receiving PHA issues the portable family a voucher, the receiving PHA's policies on extensions of the voucher term apply. The receiving PHA must notify the initial PHA of any extensions granted to the term of the voucher.

(15) The family must submit a request for tenancy approval to the receiving PHA during the term of the receiving PHA voucher. As required in § 982.303, if the family submits a request for tenancy approval during the term of the voucher, the PHA must suspend the term of that voucher.

(16) The receiving PHA must promptly notify the initial PHA if the family has leased an eligible unit under the program, or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the voucher.

(17) At any time, either the initial PHA or the receiving PHA may make a determination to deny or terminate assistance to the family in accordance with § 982.552 and 982.553.

(d) *Absorption by the receiving PHA.* (1) If funding is available under the consolidated ACC for the receiving PHA's HCV program, the receiving PHA may absorb the family into the receiving PHA's HCV program. After absorption, the family is assisted with funds available under the consolidated ACC for the receiving PHA's HCV program.

(2) HUD may require that the receiving PHA absorb all, or a portion of, incoming portable families. Under circumstances described in a notice published in the FEDERAL REGISTER, HUD may determine that receiving PHAs, or categories of receiving PHAs, should absorb all or a portion of incoming portable families. If HUD makes such a determination, HUD will provide an opportunity for public comment, for a period of no less than 60 calendar days, on such policy and procedures. After consideration of public comments, HUD will publish a final notice in the FEDERAL REGISTER advising PHAs and the public of HUD's final determination on the subject of mandatory absorption of incoming portable families.

(3) HUD may provide financial or nonfinancial incentives (or both) to PHAs that absorb portability vouchers.

(e) *Portability billing.* (1) To cover assistance for a portable family that was not absorbed in accordance with paragraph (d) of this section, the receiving PHA may bill the initial PHA for housing assistance payments and administrative fees.

(2) The initial PHA must promptly reimburse the receiving PHA for the full amount of the housing assistance payments made by the receiving PHA for the portable family. The amount of the housing assistance payment for a portable family in the receiving PHA program is determined in the same manner as for other families in the receiving PHA program.

(3) The initial PHA must promptly reimburse the receiving PHA for the lesser of 80 percent of the initial PHA ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee for each program unit under HAP contract on the first day of the month for which the receiving PHA is billing the initial PHA under this section. If administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the receiving PHA may bill under this section (e.g., the receiving PHA may bill for the lesser of 80 percent of the initial PHA's prorated ongoing administrative fee or 100 percent of the receiving PHA's prorated ongoing administrative fee). If both PHAs agree, the PHAs may negotiate a different amount of reimbursement.

(4) When a portable family moves out of the HCV program of a receiving PHA that has not absorbed the family, the PHA in the new jurisdiction to which the family moves becomes the receiving PHA, and the first receiving PHA is no longer required to provide assistance for the family.

(5) In administration of portability, the initial PHA and the receiving PHA must comply with financial procedures required by HUD, including the use of HUD-required billing forms. The initial and receiving PHA must also comply with billing and payment deadlines under the financial procedures.

(6) A PHA must manage the PHA HCV program in a manner that ensures that the PHA has the financial ability to provide assistance for families that move out of the PHA's program under the portability procedures, and that have not been absorbed by the receiving PHA, as well as for families that remain in the PHA's program.

(7) HUD may reduce the administrative fee to an initial or receiving PHA if the PHA does not comply with HUD portability requirements.

(f) *Portability funding.* (1) HUD may transfer units and funds for assistance to portable families to the receiving PHA from funds available under the initial PHA ACC.

(2) HUD may provide additional funding (e.g., funds for incremental units) to the initial PHA for funds transferred to a receiving PHA for portability purposes.

(3) HUD may provide additional funding (e.g., funds for incremental units) to the receiving PHA for absorption of portable families.

(4) HUD may require the receiving PHA to absorb portable families.

(g) *Special purpose vouchers.* (1) The initial PHA must submit the codes used for special purpose vouchers on the form HUD–50058, Family Report, and the receiving PHA must maintain the codes on the Family Report, as long as the Receiving PHA chooses to bill the initial PHA.

(2) Initial and receiving PHAs must administer special purpose vouchers, such as the HUD-Veterans Affairs Supportive Housing vouchers, in accordance with HUD-established policy in cases where HUD has established alternative program requirements of such special purpose vouchers.

[80 FR 50573, Aug. 20, 2015]

Subpart I—Dwelling Unit: Housing Quality Standards, Subsidy Standards, Inspection and Maintenance

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§982.401 Housing quality standards (HQS).

(a) *Performance and acceptability requirements.* (1) This section states the housing quality standards (HQS) for housing assisted under the HCV program.

(2)(i) The HQS consist of:

(A) Performance requirements; and

(B) Acceptability criteria or HUD approved variations in the acceptability criteria.

(ii) This section states performance and acceptability criteria for these key aspects of housing quality:

(A) Sanitary facilities;

(B) Food preparation and refuse disposal;

(C) Space and security;

(D) Thermal environment;

(E) Illumination and electricity;

(F) Structure and materials;

(G) Interior air quality;

(H) Water supply;

(I) Lead-based paint;

(J) Access;

(K) Site and neighborhood;

(L) Sanitary condition; and

(M) Smoke detectors.

(3) All program housing must meet the HQS performance requirements both at commencement of assisted occupancy, and throughout the assisted tenancy.

(4)(i) In addition to meeting HQS performance requirements, the housing must meet the acceptability criteria stated in this section, unless variations are approved by HUD.

(ii) HUD may approve acceptability criteria variations for the following purposes:

(A) Variations which apply standards in local housing codes or other codes adopted by the PHA; or

(B) Variations because of local climatic or geographic conditions.

(iii) Acceptability criteria variations may only be approved by HUD pursuant to paragraph (a)(4)(ii) of this section if such variations either:

(A) Meet or exceed the performance requirements; or

(B) Significantly expand affordable housing opportunities for families assisted under the program.

(iv) HUD will not approve any acceptability criteria variation if HUD believes that such variation is likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

(b) *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.* (i) The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.

(ii) The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.

(iii) The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water.

(iv) The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

(c) *Food preparation and refuse disposal*—(1) *Performance requirement.* (i) The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.

(ii) There must be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

(2) *Acceptability criteria.* (i) The dwelling unit must have an oven, and a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. The equipment may be supplied by either the owner or the family. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.

(ii) The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approvable public or private system.

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

(iv) There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).

(d) *Space and security*—(1) *Performance requirement.* The dwelling unit must provide adequate space and security for the family.

(2) *Acceptability criteria.* (i) At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.

(ii) The dwelling unit must have at least one bedroom or living/sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.

(iii) Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.

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

(e) *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.* (i) There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.

(ii) The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

(f) *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.* (i) There must be at least one window in the living room and in each sleeping room.

(ii) 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.

(iii) 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.

(g) *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.* (i) Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.

(ii) The roof must be structurally sound and weathertight.

(iii) The exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.

(iv) The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.

(v) Elevators must be working and safe.

(h) *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.* (i) The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.

(ii) There must be adequate air circulation in the dwelling unit.

(iii) Bathroom areas must have one openable window or other adequate exhaust ventilation.

(iv) Any room used for sleeping must have at least one window. If the window is designed to be openable, the window must work.

(i) *Water supply*—(1) *Performance requirement.* The water supply must be free from contamination.

(2) *Acceptability criteria.* The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.

(j) *Lead-based paint performance requirement.* The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821–4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851–4856), and implementing regulations at part 35, subparts A, B, M, and R of this title apply to units assisted under this part.

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

(l) *Site and Neighborhood*—(1) *Performance requirement.* The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.

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

(m) *Sanitary condition*—(1) *Performance requirement*. The dwelling unit and its equipment must be in sanitary condition.

(2) *Acceptability criteria*. The dwelling unit and its equipment must be free of vermin and rodent infestation.

(n) *Smoke detectors performance requirement*—(1) Except as provided in paragraph (n)(2) 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).

(2) 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).

[60 FR 34695, July 3, 1995, as amended at 61 FR 27163, May 30, 1996; 63 FR 23861, Apr. 30, 1998; 64 FR 26646, May 14, 1999; 64 FR 49658, Sept. 14, 1999; 64 FR 50230, Sept. 15, 1999; 80 FR 8246, Feb. 17, 2015]

§ 982.402 Subsidy standards.

(a) *Purpose*. (1) The PHA must establish subsidy standards that determine the number of bedrooms needed for families of different sizes and compositions.

(2) For each family, the PHA determines the appropriate number of bedrooms under the PHA subsidy standards (family unit size).

(3) The family unit size number is entered on the voucher issued to the family. The PHA issues the family a voucher for the family unit size when a family is selected for participation in the program.

(b) *Determining family unit size*. The following requirements apply when the PHA determines family unit size under the PHA subsidy standards:

(1) The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.

(2) The subsidy standards must be consistent with space requirements under the housing quality standards (See § 982.401(d)).

(3) The subsidy standards must be applied consistently for all families of like size and composition.

(4) A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.

(5) A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family.

(6) Any live-in aide (approved by the PHA to reside in the unit to care for a family member who is disabled or is at least 50 years of age) must be counted in determining the family unit size;

(7) Unless a live-in-aide resides with the family, the family unit size for any family consisting of a single person must be either a zero or one-bedroom unit, as determined under the PHA subsidy standards.

(8) In determining family unit size for a particular family, the PHA may grant an exception to its established subsidy standards if the PHA determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances. (For a single person other than a disabled or elderly person or remaining family member, such PHA exception may not override the limitation in paragraph (b)(7) of this section.)

(c) *Effect of family unit size-maximum subsidy in voucher program*. The family unit size as determined for a family under the PHA subsidy standard is used to determine the maximum rent subsidy for a family assisted in the voucher program. For a voucher tenancy, the PHA establishes payment standards by number of bedrooms. The payment standard for a family shall be the lower of:

(1) The payment standard amount for the family unit size; or

(2) The payment standard amount for the unit size of the unit rented by the family.

(3) *Voucher program.* For a voucher tenancy, the PHA establishes payment standards by number of bedrooms. The payment standards for the family must be the lower of:

(i) The payment standards for the family unit size; or

(ii) The payment standard for the unit size rented by the family.

(d) *Size of unit occupied by family.* (1) The family may lease an otherwise acceptable dwelling unit with fewer bedrooms than the family unit size. However, the dwelling unit must meet the applicable HQS space requirements.

(2) The family may lease an otherwise acceptable dwelling unit with more bedrooms than the family unit size. However, utility allowances must follow § 982.517(d).

[60 FR 34695, July 3, 1995, as amended at 63 FR 23861, Apr. 30, 1998; 64 FR 26646, May 14, 1999; 81 FR 12375, Mar. 8, 2016]

§ 982.403 Terminating HAP contract when unit is too small.

(a) *Violation of HQS space standards.* (1) If the PHA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible.

(2) If an acceptable unit is available for rental by the family, the PHA must terminate the HAP contract in accordance with its terms.

(b) *Termination.* When the PHA terminates the HAP contract under paragraph (a) of this section:

(1) The PHA must notify the family and the owner of the termination; and

(2) The HAP contract terminates at the end of the calendar month that follows the calendar month in which the PHA gives such notice to the owner.

(3) The family may move to a new unit in accordance with § 982.354.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26647, May 14, 1999; 80 FR 8246, Feb. 17, 2015; 80 FR 50575, Aug. 20, 2015]

§ 982.404 Maintenance: Owner and family responsibility; PHA remedies.

(a) *Owner obligation.* (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 PHA must take prompt and vigorous action to enforce the owner obligations. PHA remedies for such breach of the HQS include termination, suspension or reduction of housing assistance payments and termination of the HAP contract.

(3) The PHA must 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 PHA and the PHA 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 PHA-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 (as provided in § 982.404(b) and § 982.551(c)). (However, the PHA may terminate assistance to a family because of HQS breach caused by the family.)

(b) *Family obligation.* (1) The family is responsible for a breach of the HQS that is caused by any of the following:

(i) 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;

(ii) 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

(iii) Any member of the household or guest damages the dwelling unit or premises (damages 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 PHA-approved extension).

(3) If the family has caused a breach of the HQS, the PHA must take prompt and vigorous action to enforce the family obligations. The PHA may terminate assistance for the family in accordance with § 982.552.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

§ 982.405 PHA initial and periodic unit inspection.

(a) The PHA must inspect the unit leased to a family prior to the initial term of the lease, at least biennially during assisted occupancy, and at other times as needed, to determine if the unit meets the HQS. (See § 982.305(b)(2) concerning timing of initial inspection by the PHA.)

(b) The PHA must conduct supervisory quality control HQS inspections.

(c) In scheduling inspections, the PHA must consider complaints and any other information brought to the attention of the PHA.

(d) The PHA must notify the owner of defects shown by the inspection.

(e) The PHA may not charge the family for an initial inspection or reinspection of the unit.

(f) The PHA may not charge the owner for the inspection of the unit prior to the initial term of the lease or for a first inspection during assisted occupancy of the unit. The PHA may establish a reasonable fee to owners for a reinspection if an owner notifies the PHA that a repair has been made or the allotted time for repairs has elapsed and a reinspection reveals that any deficiency cited in the previous inspection that the owner is responsible for repairing pursuant to § 982.404(a) was not corrected. The owner may not pass this fee along to the family. Fees collected under this paragraph will be included in a PHA's administrative fee reserve and may be used only for activities related to the provision of Section 8 Tenant-Based Rental Assistance.

(g) If a participant family or government official reports a condition that is life-threatening (*i.e.*, the PHA would require the owner to make the repair within no more than 24 hours in accordance with § 982.404(a)(3)), then the PHA must inspect the housing unit within 24 hours of when the PHA received the notification. If the reported condition is not life-threatening (*i.e.*, the PHA would require the owner to make the repair within no more than 30 calendar days in accordance with § 982.404(a)(3)), then the PHA must inspect the unit within 15 days of when the PHA received the notification. In the event of extraordinary circumstances, such as if a unit is within a Presidentially declared disaster area, HUD may waive the 24-hour or the 15-day inspection requirement until such time as an inspection is feasible.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26647, May 14, 1999; 64 FR 56914, Oct. 21, 1999; 81 FR 12375, Mar. 8, 2016]

§ 982.406 Use of alternative inspections.

(a) *In general.* (1) A PHA may comply with the inspection requirement in § 982.405(a) by relying on an alternative inspection (*i.e.*, an inspection conducted for another housing assistance program) only if the PHA is able to obtain the results of the alternative inspection.

(2) If an alternative inspection method employs sampling, then a PHA may rely on such alternative inspection method to comply with the requirement in § 982.405(a) only if HCV units are included in the population of units forming the basis of the sample.

(3) Units in properties that are mixed-finance properties assisted with project-based vouchers may be inspected at least triennially pursuant to 24 CFR 983.103(g).

(b) *Administrative plans.* A PHA relying on an alternative inspection to fulfill the requirement in § 982.405(a) must identify the alternative inspection method being used in the PHA's administrative plan. Such a change may be a significant amendment to the plan, in which case the PHA must follow its plan amendment and public notice requirements, in addition to meeting the requirements in §982.406(c)(2), if applicable, before using the alternative inspection method.

(c) *Eligible inspection methods.* (1) A PHA may rely upon inspections of housing assisted under the HOME Investment Partnerships (HOME) program or housing financed using Low-Income Housing Tax Credits (LIHTCs), or inspections performed by HUD, with no action other than amending its administrative plan.

(2) If a PHA wishes to rely on an inspection method other than a method listed in paragraph (c)(1) of this section, then, prior to amending its administrative plan, the PHA must submit to the Real Estate Assessment Center (REAC) a copy of the inspection method it wishes to use, along with its analysis of the inspection method that shows that the method ''provides the same or greater protection to occupants of dwelling units'' as would HQS.

(i) A PHA may rely upon such alternative inspection method only upon receiving approval from REAC to do so.

(ii) A PHA that uses an alternative inspection method approved under this paragraph must monitor changes to the standards and requirements applicable to such method. If any change is made to the alternative inspection method, then the PHA must submit to REAC a copy of the revised standards and requirements, along with a revised comparison to HQS. If the PHA or REAC determines that the revision would cause the alternative inspection to no longer meet or exceed HQS, then the PHA may no longer rely upon the alternative inspection method to comply with the inspection requirement at §982.405(a).

(d) *Results of alternative inspection.* (1) In order for a PHA to rely upon the results of an alternative inspection to comply with the requirement at §982.405(a), a property inspected pursuant to such method must meet the standards or requirements regarding housing quality or safety applicable to properties assisted under the program using the alternative inspection method. To make the determination of whether such standards or requirements are met, the PHA must adhere to the following procedures:

(i) If a property is inspected under an alternative inspection method, and the property receives a ''pass'' score, then the PHA may rely on that inspection to demonstrate compliance with the inspection requirement at §982.405(a).

(ii) If a property is inspected under an alternative inspection method, and the property receives a ''fail'' score, then the PHA may not rely on that inspection to demonstrate compliance with the inspection requirement at §982.405(a).

(iii) If a property is inspected under an alternative inspection method that does not employ a pass/fail determination—for example, in the case of a program where deficiencies are simply identified—then the PHA must review the list of deficiencies to determine whether any cited deficiency would have resulted in a ''fail'' score under HQS. If no such deficiency exists, then the PHA may rely on the inspection to demonstrate compliance with the inspection requirement at §982.405(a); if such a deficiency does exist, then the PHA may not rely on the inspection to demonstrate such compliance.

(2) Under any circumstance described above in which a PHA is prohibited from relying on an alternative inspection method for a property, the PHA must, within a reasonable period of time, conduct an HQS inspection of any units in the property occupied by voucher program participants and follow HQS procedures to remedy any identified deficiencies.

(e) *Records retention.* As with all other inspection reports, and as required by §982.158(f)(4), reports for inspections conducted pursuant to an alternative inspection method must be obtained by the PHA. Such reports must be available for HUD inspection for at least three years from the date of the latest inspection.

[81 FR 12375, Mar. 8, 2016]

§982.407 Enforcement of HQS.

Part 982 does not create any right of the family, or any party other than HUD or the PHA, to require enforcement of the HQS requirements by HUD or the PHA, or to assert any claim against HUD or the PHA, for damages, injunction or other relief, for alleged failure to enforce the HQS.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 80 FR 8246, Feb. 17, 2015. Redesignated at 81 FR 12375, Mar. 8, 2016]

Subpart J—Housing Assistance Payments Contract and Owner Responsibility

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.451 Housing assistance payments contract.

(a)(1) The HAP contract must be in the form required by HUD.

(2) The term of the HAP contract is the same as the term of the lease.

(b)(1) The amount of the monthly housing assistance payment by the PHA to the owner is determined by the PHA in accordance with HUD regulations and other requirements. The amount of the housing assistance payment is subject to change during the HAP contract term.

(2) The monthly housing assistance payment by the PHA is credited toward the monthly rent to owner under the family's lease.

(3) The total of rent paid by the tenant plus the PHA housing assistance payment to the owner may not be more than the rent to owner. The owner must immediately return any excess payment to the PHA.

(4)(i) The part of the rent to owner which is paid by the tenant may not be more than:

(A) The rent to owner; minus

(B) The PHA housing assistance payment to the owner.

(ii) The owner may not demand or accept any rent payment from the tenant in excess of this maximum, and must immediately return any excess rent payment to the tenant.

(iii) The family is not responsible for payment of the portion of rent to owner covered by the housing assistance payment under the HAP contract between the owner and the PHA. See § 982.310(b).

(5)(i) The PHA must pay the housing assistance payment promptly when due to the owner in accordance with the HAP contract.

(ii)(A) The HAP contract shall provide for penalties against the PHA for late payment of housing assistance payments due to the owner if all the following circumstances apply:

(*1*) Such penalties are in accordance with generally accepted practices and law, as applicable in the local housing market, governing penalties for late payment of rent by a tenant;

(*2*) It is the owner's practice to charge such penalties for assisted and unassisted tenants; and

(*3*) The owner also charges such penalties against the tenant for late payment of family rent to owner.

(B) The PHA is not obligated to pay any late payment penalty if HUD determines that late payment by the PHA is due to factors beyond the PHA's control. The PHA may add HAP contract provisions which define when the housing assistance payment by the PHA is deemed received by the owner (*e.g.*, upon mailing by the PHA or actual receipt by the owner).

(iii) The PHA may only use the following sources to pay a late payment penalty from program receipts under the consolidated ACC: administrative fee income for the program; or the administrative fee reserve for the program. The PHA may not use other program receipts for this purpose.

[60 FR 34695, July 3, 1995, as amended at 61 FR 27163, May 30, 1996; 63 FR 23861, Apr. 30, 1998; 64 FR 26647, May 14, 1999; 64 FR 56914, Oct. 21, 1999]

§ 982.452 Owner responsibilities.

(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. The fact that an applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking is not an appropriate basis for denial of tenancy if the applicant otherwise qualifies for tenancy.

(2) Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance. For provisions on family maintenance responsibilities, see § 982.404(a)(4).

(3) Complying with equal opportunity requirements.

(4) Preparing and furnishing to the PHA information required under the HAP contract.

(5) Collecting from the family:

(i) Any security deposit.

(ii) The tenant contribution (the part of rent to owner not covered by the housing assistance payment).

(iii) 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 disabled person, see 24 CFR 100.203.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 63 FR 23861, Apr. 30, 1998; 64 FR 26647, May 14, 1999; 73 FR 72345, Nov. 28, 2008; 75 FR 66264, Oct. 27, 2010; 80 FR 8246, Feb. 17, 2015; 81 FR 80817, Nov. 16, 2016]

§ 982.453 Owner breach of contract.

(a) Any of the following actions by the owner (including a principal or other interested party) is a breach of the HAP contract by the owner:

(1) 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.

(2) If the owner has violated any obligation under any other HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).

(3) If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

(4) 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; or if the owner has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan.

(5) If the owner has engaged in drug-related criminal activity.

(6) If the owner has committed any violent criminal activity.

(b) The PHA rights and remedies against the owner under the HAP contract include recovery of overpayments, abatement or other reduction of housing assistance payments, termination of housing assistance payments, and termination of the HAP contract.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26647, May 14, 1999; 64 FR 56914, Oct. 21, 1999; 65 FR 16821, Mar. 30, 2000]

§ 982.454 Termination of HAP contract: Insufficient funding.

The PHA may terminate the HAP contract if the PHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26647, May 14, 1999]

§ 982.455 Automatic termination of HAP contract.

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

[64 FR 26647, May 14, 1999]

§ 982.456 Third parties.

(a) Even if the family continues to occupy the unit, the PHA may exercise any rights and remedies against the owner under the HAP contract.

(b)(1) The family is not a party to or third party beneficiary of the HAP contract. Except as provided in paragraph (b)(2) of this section, the family may not exercise any right or remedy against the owner under the HAP contract.

(2) The tenant may exercise any right or remedy against the owner under the lease between the tenant and the owner, including enforcement of the owner's obligations under the tenancy addendum (which is included both in the HAP contract between the PHA

and the owner; and in the lease between the tenant and the owner.)

(c) The HAP contract shall not be construed as creating any right of the family or other third party (other than HUD) to enforce any provision of the HAP contract, or to assert any claim against HUD, the PHA or the owner under the HAP contract.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26647, May 14, 1999]

Subpart K—Rent and Housing Assistance Payment

SOURCE: 63 FR 23861, Apr. 30, 1998, unless otherwise noted.

§ 982.501 Overview.

This subpart describes program requirements concerning the housing assistance payment and rent to owner under the HCV program.

[80 FR 8246, Feb. 17, 2015]

§ 982.503 Payment standard amount and schedule.

(a) *Payment standard schedule.* (1) HUD publishes the fair market rents for each market area in the United States (see part 888 of this title). The PHA must adopt a payment standard schedule that establishes voucher payment standard amounts for each FMR area in the PHA jurisdiction. For each FMR area, the PHA must establish payment standard amounts for each "unit size." Unit size is measured by number of bedrooms (zero-bedroom, one-bedroom, and so on).

(2) The payment standard amounts on the PHA schedule are used to calculate the monthly housing assistance payment for a family (§ 982.505).

(3) The PHA voucher payment standard schedule shall establish a single payment standard amount for each unit size. For each unit size, the PHA may establish a single payment standard amount for the whole FMR area, or may establish a separate payment standard amount for each designated part of the FMR area.

(b) *Establishing payment standard amounts.* (1)(i) The PHA may establish the payment standard amount for a unit size at any level between 90 percent and 110 percent of the published FMR for that unit size. HUD approval is not required to establish a payment standard amount in that range ("basic range"). The PHA must revise the payment standard amount no later than 3 months following the effective date of the published FMR if a change is necessary to stay within the basic range.

(ii) The PHA may establish a separate payment standard amount within the basic range for a designated part of an FMR area.

(iii) A PHA that is not in a designated Small Area FMR area or has not opted to voluntarily implement Small Area FMRs under 24 CFR 888.113(c)(3) may establish exception payment standards for a ZIP code area above the basic range for the metropolitan FMR based on the HUD published Small Area FMRs. The PHA may establish an exception payment standard up to 110 percent of the HUD published Small Area FMR for that ZIP code area. The PHA must notify HUD if it establishes an exception payment standard based on the Small Area FMR. The exception payment standard must apply to the entire ZIP code area.

(iv) At the request of a PHA administering the HCV program under Small Area FMRs under § 888.113(c)(3), HUD may approve an exception payment standard for a Small Area FMR area above the 110 percent of the published FMR in accordance with conditions set forth by Notice in the FEDERAL REGISTER. The requirements of paragraph (c) of this section do not apply to these exception payment standard requests and approvals.

(v) The PHA may establish an exception payment standard of not more than 120 percent of the published FMR if required as a reasonable accommodation in accordance with 24 CFR part 8 for a family that includes a person with a disability. Any unit approved under an exception payment standard must still meet the reasonable rent requirements found at § 982.507.

(vi) The PHA may establish an exception payment standard of more than 120 percent of the published FMR if required as a reasonable accommodation in accordance with 24 CFR part 8 for a family that includes a person with a disability after approval from HUD. Any unit approved under an exception payment standard must still meet the reasonable rent requirements found at §982.507.

(2) Except as described in paragraphs (b)(1)(iii) through (v) of this section, the PHA must request HUD approval to establish a payment standard amount that is higher or lower than the basic range. HUD has sole discretion to grant or deny approval of a higher or lower payment standard amount. Paragraphs (c) and (e) of this section describe the requirements for approval of a higher payment standard amount (''exception payment standard amount'').

(c) *HUD approval of exception payment standard amount*—(1) *HUD discretion*. At HUD's sole discretion, HUD may approve a payment standard amount that is higher than the basic range for a designated part of the fair market rent area (called an ''exception area''). HUD may approve an exception payment standard amount in accordance with this paragraph (c) of this section for all units, or for all units of a given unit size, leased by program families in the exception area. Any PHA with jurisdiction in the exception area may use the HUD-approved exception payment standard amount.

(2) *Above 110 percent of FMR to 120 percent of published FMR*. The HUD Field Office may approve an exception payment standard amount from above 110 percent of the published FMR to 120 percent of the published FMR (upper range) if the HUD Field Office determines that approval is justified by the median rent method or the 40th percentile rent or the Small Area FMR method as described in paragraph (c)(2)(ii) of this section (and that such approval is also supported by an appropriate program justification in accordance with paragraph (c)(4) of this section).

(i) *Median rent method*. In the median rent method, HUD determines the exception payment standard amount by multiplying the FMR times a fraction of which the numerator is the median gross rent of the exception area and the denominator is the median gross rent of the entire FMR area. In this method, HUD uses median gross rent data from the most recent decennial United States census, and the exception area may be any geographic entity within the FMR area (or any combination of such entities) for which median gross rent data is provided in decennial census products.

(ii) *40th percentile rent or Small Area FMR method*. In this method, HUD determines that the area exception payment standard amount equals application of the 40th percentile of rents for standard quality rental housing in the exception area or the Small Area FMR. HUD determines whether the 40th percentile rent or Small Area FMR applies in accordance with the methodology described in 24 CFR 888.113 for determining FMRs. A PHA must present statistically representative rental housing survey data to justify HUD approval.

(3) *Above 120 percent of FMR*. (i) At the request of a PHA, the Assistant Secretary for Public and Indian Housing may approve an exception payment standard amount for the total area of a county, PHA jurisdiction, or place if the Assistant Secretary determines that:

(A) Such approval is necessary to prevent financial hardship for families;

(B) Such approval is supported by statistically representative rental housing survey data to justify HUD approval in accordance with the methodology described in §888.113 of this title; and

(C) Such approval is also supported by an appropriate program justification in accordance with paragraph (c)(4) of this section.

(ii) For purposes of paragraph (c)(3) of this section, the term ''place'' is an incorporated place or a U.S. Census designated place. An incorporated place is established by State law and includes cities, boroughs, towns, and villages. A U.S. Census designated place is the statistical counterpart of an incorporated place.

(4) *Program justification*. (i) HUD will only approve an exception payment standard amount (pursuant to paragraph (c)(2) or paragraph (c)(3) of this section) if HUD determines that approval of such higher amount is needed either:

(A) To help families find housing outside areas of high poverty, or

(B) Because voucher holders have trouble finding housing for lease under the program within the term of the voucher.

(ii) HUD will only approve an exception payment standard amount (pursuant to paragraph (c)(3) of this section) after six months from the date of HUD approval of an exception payment standard pursuant to paragraph (c)(2) of this section for the area.

(5) *Population.* The total population of HUD-approved exception areas in an FMR area may not include more than 50 percent of the population of the FMR area, except when applying Small Area FMR exception areas under paragraph (b)(1)(iii) of this section.

(6) *Withdrawal or modification.* At any time, HUD may withdraw or modify approval to use an exception payment standard amount.

(d) *HUD approval of payment standard amount below the basic range.* HUD may consider a PHA request for approval to establish a payment standard amount that is lower than the basic range. At HUD's sole discretion, HUD may approve PHA establishment of a payment standard lower than the basic range. In determining whether to approve the PHA request, HUD will consider appropriate factors, including rent burden of families assisted under the program. HUD will not approve a lower payment standard if the family share for more than 40 percent of participants in the PHA's voucher program exceeds 30 percent of adjusted monthly income. Such determination may be based on the most recent examinations of family income.

(e) *HUD approval of success rate payment standard amounts.* In order to increase the number of voucher holders who become participants, HUD may approve requests from PHAs whose FMRs are computed at the 40th percentile rent to establish higher, success rate payment standard amounts. A success rate payment standard amount is defined as any amount between 90 percent and 110 percent of the 50th percentile rent, calculated in accordance with the methodology described in § 888.113 of this title.

(1) A PHA may obtain HUD Field Office approval of success rate payment standard amounts provided the PHA demonstrates to HUD that it meets the following criteria:

(i) Fewer than 75 percent of the families to whom the PHA issued rental vouchers during the most recent 6 month period for which there is success rate data available have become participants in the voucher program;

(ii) The PHA has established payment standard amounts for all unit sizes in the entire PHA jurisdiction within the FMR area at 110 percent of the published FMR for at least the 6 month period referenced in paragraph (e)(1)(i) of this section and up to the time the request is made to HUD; and

(iii) The PHA has a policy of granting automatic extensions of voucher terms to at least 90 days to provide a family who has made sustained efforts to locate suitable housing with additional search time.

(2) In determining whether to approve the PHA request to establish success rate payment standard amounts, HUD will consider whether the PHA has a SEMAP overall performance rating of "troubled". If a PHA does not yet have a SEMAP rating, HUD will consider the PHA's SEMAP certification.

(3) HUD approval of success rate payment standard amounts shall be for all unit sizes in the FMR area. A PHA may opt to establish a success rate payment standard amount for one or more unit sizes in all or a designated part of the PHA jurisdiction within the FMR area.

(f) *Payment standard protection for PHAs that meet deconcentration objectives.* Paragraph (f) of this section applies only to a PHA with jurisdiction in an FMR area where the FMR had previously been set at the 50th percentile rent to provide a broad range of housing opportunities throughout a metropolitan area, pursuant to § 888.113(i)(3), but is now set at the 40th percentile rent.

(1) Such a PHA may obtain HUD Field Office approval of a payment standard amount based on the 50th percentile rent if the PHA scored the maximum number of points on the deconcentration bonus indicator in § 985.3(h) in the prior year, or in two of the last three years.

(2) HUD approval of payment standard amounts based on the 50th percentile rent shall be for all unit sizes in the FMR area that had previously been

set at the 50th percentile rent pursuant to § 888.113(i)(3). A PHA may opt to establish a payment standard amount based on the 50th percentile rent for one or more unit sizes in all or a designated part of the PHA jurisdiction within the FMR area.

(g) *HUD review of PHA payment standard schedules.* (1) HUD will monitor rent burdens of families assisted in a PHA's voucher program. HUD will review the PHA's payment standard for a particular unit size if HUD finds that 40 percent or more of such families occupying units of that unit size currently pay more than 30 percent of adjusted monthly income as the family share. Such determination may be based on the most recent examinations of family income.

(2) After such review, HUD may, at its discretion, require the PHA to modify payment standard amounts for any unit size on the PHA payment standard schedule. HUD may require the PHA to establish an increased payment standard amount within the basic range.

[64 FR 26648, May 14, 1999; 64 FR 49658, Sept. 14, 1999, as amended at 64 FR 56914, Oct. 21, 1999; 65 FR 16822, Mar. 30, 2000; 65 FR 58874, Oct. 2, 2000; 66 FR 30568, June 6, 2001; 67 FR 56688, Sept. 4, 2002; 80 FR 8246, Feb. 17, 2015; 81 FR 12376, Mar. 8, 2016; 81 FR 80582, Nov. 16, 2016]

§ 982.504 Payment standard for family in restructured subsidized multifamily project.

(a) This section applies to HCV assistance if all the following conditions are applicable:

(1) Such HCV assistance is provided to a family pursuant to 24 CFR 401.421 when HUD has approved a restructuring plan, and the participating administrative entity has approved the use of tenant-based assistance to provide continued assistance for such families. Such tenant-based voucher assistance is provided for a family previously receiving project-based assistance in an eligible project (as defined in § 401.2 of this title) at the time when the project-based assistance terminates.

(2) The family chooses to remain in the restructured project with HCV assistance under the program and leases a unit that does not exceed the family unit size;

(3) The lease for such assisted tenancy commences during the first year after the project-based assistance terminates.

(b) The initial payment standard for the family under such initial lease is the sum of the reasonable rent to owner for the unit plus the utility allowance for tenant-paid utilities. (Determination of such initial payment standard for the family is not subject to paragraphs (c)(1) and (c)(2) of § 982.505. Except for determination of the initial payment standard as specifically provided in paragraph (b) of this section, the payment standard and housing assistance payment for the family during the HAP contract term shall be determined in accordance with § 982.505.)

[64 FR 26649, May 14, 1999, as amended at 80 FR 8247, Feb. 17, 2015]

§ 982.505 How to calculate housing assistance payment.

(a) *Use of payment standard.* A payment standard is used to calculate the monthly housing assistance payment for a family. The "payment standard" is the maximum monthly subsidy payment.

(b) *Amount of monthly housing assistance payment.* The PHA shall pay a monthly housing assistance payment on behalf of the family that is equal to the *lower* of:

(1) The payment standard for the family minus the total tenant payment; or

(2) The gross rent minus the total tenant payment.

(c) *Payment standard for family.* (1) The payment standard for the family is the lower of:

(i) The payment standard amount for the family unit size; or

(ii) The payment standard amount for the size of the dwelling unit rented by the family.

(2) If the PHA has established a separate payment standard amount for a designated part of an FMR area in accordance with § 982.503 (including an exception payment standard amount as determined in accordance with § 982.503(b)(2) and § 982.503(c)), and the dwelling unit is located in such designated part, the PHA must use the appropriate payment standard amount

for such designated part to calculate the payment standard for the family. The payment standard for the family shall be calculated in accordance with this paragraph and paragraph (c)(1) of this section.

(3) *Decrease in the payment standard amount during the HAP contract term.* If the amount on the payment standard schedule is decreased during the term of the HAP contract, the PHA is not required to reduce the payment standard amount used to calculate the subsidy for the families under HAP contract for as long as the HAP contract remains in effect.

(i) If the PHA chooses to reduce the payment standard for the families currently under HAP contract during the HAP contract term in accordance with their administrative plan, the initial reduction to the payment standard amount used to calculate the monthly housing assistance payment for the family may not be applied any earlier than the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard amount.

(ii) The PHA may choose to reduce the payment standard amount for families that remain under HAP contract to the current payment standard amount in effect on the PHA voucher payment standard schedule, or may reduce the payment standard amount to an amount that is higher than the normally applicable payment standard amount on the PHA voucher payment standard schedule. The PHA may further reduce the payment standard amount for the families during the term of the HAP contract, provided the subsequent reductions continue to result in a payment standard amount that meets or exceeds the normally applicable payment standard amount on the PHA voucher payment standard schedule.

(iii) The PHA must provide the family with at least 12 months' notice that the payment standard is being reduced during the term of the HAP contract before the effective date of the change.

(iv) The PHA shall administer decreases in the payment standard amount during the term of the HAP contract in accordance with the PHA policy as described in the PHA administrative plan. The PHA may establish different policies for designated areas within their jurisdiction (*e.g.*, for different zip code areas), but the PHA administrative policy on decreases to payment standards during the term of the HAP contract applies to all families under HAP contract at the time of the effective date of decrease in the payment standard within that designated area. The PHA may not limit or otherwise establish different protections or policies for certain families under HAP contract.

(4) *Increase in the payment standard amount during the HAP contract term.* If the payment standard amount is increased during the term of the HAP contract, the increased payment standard amount shall be used to calculate the monthly housing assistance payment for the family beginning at the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard amount.

(5) *Change in family unit size during the HAP contract term.* Irrespective of any increase or decrease in the payment standard amount, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard amount for the family beginning at the family's first regular reexamination following the change in family unit size.

(d) *PHA approval of higher payment standard for the family as a reasonable accommodation.* If the family includes a person with disabilities and requires a payment standard above the basic range, as a reasonable accommodation for such person, in accordance with part 8 of this title, the PHA may establish a payment standard for the family of not more than 120 percent of the FMR. A PHA may establish a payment standard greater than 120 percent of the FMR by submitting a request to HUD.

[64 FR 26649, May 14, 1999, as amended at 64 FR 56914, Oct. 21, 1999; 65 FR 16822, Mar. 30, 2000; 65 FR 42509, July 10, 2000; 66 FR 30568, June 6, 2001; 67 FR 56689, Sept. 4, 2002; 80 FR 8247, Feb. 17, 2014; 81 FR 12376, Mar. 8, 2016; 81 FR 80582, Nov. 16, 2016]

§ 982.506 Negotiating rent to owner.

The owner and the family negotiate the rent to owner. At the family's request, the PHA must help the family negotiate the rent to owner.

[63 FR 23861, Apr. 30, 1998. Redesignated at 64 FR 26648, May 14, 1999]

§ 982.507 Rent to owner: Reasonable rent.

(a) *PHA determination.* (1) Except as provided in paragraph (c) of this section, the PHA may not approve a lease until the PHA determines that the initial rent to owner is a reasonable rent.

(2) The PHA must redetermine the reasonable rent:

(i) Before any increase in the rent to owner;

(ii) If there is a 10 percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect 1 year before the contract anniversary.

(iii) If directed by HUD.

(3) The PHA may also redetermine the reasonable rent at any other time.

(4) At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or redetermined by the PHA.

(b) *Comparability.* The PHA must determine whether the rent to owner is a reasonable rent in comparison to rent for other comparable unassisted units. To make this determination, the PHA must consider:

(1) The location, quality, size, unit type, and age of the contract unit; and

(2) Any amenities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease.

(c) *Units assisted by low-income housing tax credits or assistance under HUD's HOME Investment Partnerships (HOME) program.* (1) *General.* For a unit receiving low-income housing tax credits (LIHTCs) pursuant to section 42 of the Internal Revenue Code of 1986 or receiving assistance under HUD's HOME Program (for which the regulations are found in 24 CFR part 92), a rent comparison with unassisted units is not required if the voucher rent does not exceed the rent for other LIHTC- or HOME-assisted units in the project that are not occupied by families with tenant-based assistance.

(2) *LIHTC.* If the rent requested by the owner exceeds the LIHTC rents for non-voucher families, the PHA must perform a rent comparability study in accordance with program regulations and the rent shall not exceed the lesser of the:

(i) Reasonable rent as determined pursuant to a rent comparability study; and

(ii) The payment standard established by the PHA for the unit size involved.

(3) *HOME Program.* [Reserved]

(d) *Owner certification of rents charged for other units.* By accepting each monthly housing assistance payment from the PHA, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner must give the PHA information requested by the PHA on rents charged by the owner for other units in the premises or elsewhere.

[63 FR 23861, Apr. 30, 1998. Redesignated at 64 FR 26648, May 14, 1999; 79 FR 36164, June 25, 2014; 81 FR 80583, Nov. 16, 2016]

§ 982.508 Maximum family share at initial occupancy.

At the time the PHA approves a tenancy for initial occupancy of a dwelling unit by a family with tenant-based assistance under the program, and where the gross rent of the unit exceeds the applicable payment standard for the family, the family share must not exceed 40 percent of the family's adjusted monthly income. The determination of adjusted monthly income must be based on verification information received by the PHA no earlier than 60 days before the PHA issues a voucher to the family.

[64 FR 59622, Nov. 3, 1999]

§ 982.509 Rent to owner: Effect of rent control.

In addition to the rent reasonableness limit under this subpart, the amount of rent to owner also may be subject to rent control limits under State or local law.

[63 FR 23861, Apr. 30, 1998. Redesignated and amended at 64 FR 26648, May 14, 1999]

§ 982.510 Other fees and charges.

(a) The cost of meals or supportive services may not be included in the rent to owner, and the value of meals or supportive services may not be included in the calculation of reasonable rent.

(b) The lease may not require the tenant or family members to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

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

[63 FR 23861, Apr. 30, 1998. Redesignated at 64 FR 26648, May 14, 1999]

§ 982.514 Distribution of housing assistance payment.

The monthly housing assistance payment is distributed as follows:

(a) The PHA pays the owner the lesser of the housing assistance payment or the rent to owner.

(b) If the housing assistance payment exceeds the rent to owner, the PHA may pay the balance of the housing assistance payment (''utility reimbursement'') either to the family or directly to the utility supplier to pay the utility bill on behalf of the family. If the PHA elects to pay the utility supplier directly, the PHA must notify the family of the amount paid to the utility supplier.

(c) The PHA may elect to establish policies regarding the frequency of utility reimbursement payments for payments made to the family.

(1) The PHA will have the option of making utility reimbursement payments not less than once per calendar-year quarter, for reimbursements totaling $45 or less per quarter. In the event a family leaves the program in advance of its next quarterly reimbursement, the PHA would be required to reimburse the family for a prorated share of the applicable reimbursement. PHAs exercising this option must have a hardship policy in place for tenants.

(2) If the PHA elects to pay the utility supplier directly, the PHA must notify the family of the amount paid to the utility supplier.

[63 FR 23861, Apr. 30, 1998, as amended at 64 FR 56914, Oct. 21, 1999; 65 FR 16822, Mar. 30, 2000; 81 FR 12376, Mar. 8, 2016]

§ 982.515 Family share: Family responsibility.

(a) The family share is calculated by subtracting the amount of the housing assistance payment from the gross rent.

(b) The family rent to owner is calculated by subtracting the amount of the housing assistance payment to the owner from the rent to owner.

(c) The PHA may not use housing assistance payments or other program funds (including any administrative fee reserve) to pay any part of the family share, including the family rent to owner. Payment of the whole family share is the responsibility of the family.

[63 FR 23861, Apr. 30, 1998, as amended at 64 FR 56915, Oct. 21, 1999]

§ 982.516 Family income and composition: Annual and interim examinations.

(a) *PHA responsibility for reexamination and verification.* (1) The PHA must conduct a reexamination of family income and composition at least annually.

(2) Except as provided in paragraph (a)(3) of this section, the PHA must obtain and document in the tenant file third-party verification of the following factors, or must document in the tenant file why third-party verification was not available:

(i) Reported family annual income;

(ii) The value of assets;

(iii) Expenses related to deductions from annual income; and

(iv) Other factors that affect the determination of adjusted income.

(3) For a family with net assets equal to or less than $5,000, a PHA may accept a family's declaration that it has net assets equal to or less than $5,000, without taking additional steps to verify the accuracy of the declaration.

(i) The declaration must state the amount of income the family expects to receive from such assets; this amount must be included in the family's income.

(ii) A PHA must obtain third-party verification of all family assets every 3 years.

(b) *Streamlined income determination*—(1) *General*. A PHA may elect to apply a streamlined income determination to families receiving fixed income as described in paragraph (b)(3) of this section.

(2) *Definition of "fixed income"*. For purposes of this section, "fixed income" means periodic payments at reasonably predictable levels from one or more of the following sources:

(i) Social Security, Supplemental Security Income, Supplemental Disability Insurance.

(ii) Federal, state, local, or private pension plans.

(iii) Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts.

(iv) Any other source of income subject to adjustment by a verifiable COLA or current rate of interest.

(3) *Method of streamlined income determination*. A PHA using the streamlined income determination must adjust a family's income according to the percentage of a family's unadjusted income that is from fixed income.

(i) When 90 percent or more of a family's unadjusted income consists of fixed income, PHAs using streamlined income determinations must apply a COLA or COLAs to the family's fixed-income sources, provided that the family certifies both that 90 percent or more of their unadjusted income is fixed income and that their sources of fixed income have not changed from the previous year. For non-fixed income, the PHA is not required to make adjustments pursuant to paragraph (a) of this section.

(ii) When less than 90 percent of a family's unadjusted income consists of fixed income, PHAs using streamlined income determinations must apply a COLA to each of the family's sources of fixed income individually. The PHA must determine all other income pursuant to paragraph (a) of this section.

(4) *COLA rate applied by PHAs*. PHAs using streamlined income determinations must adjust a family's fixed income using a COLA or current interest rate that applies to each specific source of fixed income and is available from a public source or through tenant-provided, third-party-generated documentation. If no public verification or tenant-provided documentation is available, then the owner must obtain third-party verification of the income amounts in order to calculate the change in income for the source.

(5) *Triennial verification*. For any income determined pursuant to a streamlined income determination, a PHA must obtain third-party verification of all income amounts every 3 years.

(c) *Interim reexaminations*. (1) At any time, the PHA may conduct an interim reexamination of family income and composition.

(2) At any time, the family may request an interim determination of family income or composition because of any changes since the last determination. The PHA must make the interim determination within a reasonable time after the family request.

(3) Interim examinations must be conducted in accordance with policies in the PHA administrative plan.

(d) *Family reporting of change*. The PHA must adopt policies prescribing when and under what conditions the family must report a change in family income or composition.

(e) *Effective date of reexamination*. (1) The PHA must adopt policies prescribing how to determine the effective date of a change in the housing assistance payment resulting from an interim redetermination.

(2) At the effective date of a regular or interim reexamination, the PHA must make appropriate adjustments in the housing assistance payment in accordance with §982.505.

(f) *Accuracy of family income data*. The PHA must establish procedures that are appropriate and necessary to assure that income data provided by applicant or participant families is complete and accurate.

(g) *Execution of release and consent*. (1) As a condition of admission to or continued assistance under the program, the PHA shall require the family head, and such other family members as the

PHA designates, to execute a HUD-approved release and consent form (including any release and consent as required under § 5.230 of this title) authorizing any depository or private source of income, or any Federal, State or local agency, to furnish or release to the PHA or HUD such information as the PHA or HUD determines to be necessary.

(2) The PHA and HUD must limit the use or disclosure of information obtained from a family or from another source pursuant to this release and consent to purposes directly in connection with administration of the program.

(Information collection requirements contained in this section have been approved by the Office of Management and Budget under control number 2577–0169.)

[63 FR 23861, Apr. 30, 1998, as amended at 64 FR 13057, Mar. 16, 1999; 64 FR 26649, May 14, 1999; 64 FR 56915, Oct. 21, 1999; 65 FR 16822, Mar. 30, 2000; 80 FR 8247, Feb. 17, 2015; 81 FR 12376, Mar. 8, 2016; 82 FR 58341, Dec. 12, 2017; 85 FR 27139, May 7, 2020]

EDITORIAL NOTE: At 64 FR 26649, May 14, 1999, § 982.516 was amended in paragraph (e) by removing the reference to "and family unit size"; however paragraph (e) does not contain this phrase.

§ 982.517 Utility allowance schedule.

(a) *Maintaining schedule.* (1) The PHA must maintain 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)).

(2) The PHA must give HUD a copy of the utility allowance schedule. At HUD's request, the PHA also must provide any information or procedures used in preparation of the schedule.

(b) *How allowances are determined.* (1) The utility allowance schedule must be 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 PHA must use normal patterns of consumption for the community as a whole and current utility rates.

(2)(i) A PHA's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards. However, the PHA may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

(ii) In the utility allowance schedule, the PHA must classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; water; sewer; trash collection (disposal of waste and refuse); other electric; refrigerator (cost of tenant-supplied refrigerator); range (cost of tenant-supplied range); and other specified housing services. The PHA must provide a utility allowance for tenant-paid air-conditioning costs if the majority of housing units in the market provide centrally air-conditioned units or there is appropriate wiring for tenant-installed air conditioners.

(3) The cost of each utility and housing service category must be stated separately. For each of these categories, the utility allowance schedule must take into consideration unit size (by number of bedrooms), and unit types (e.g., apartment, row-house, town house, single-family detached, and manufactured housing) that are typical in the community.

(4) The utility allowance schedule must be prepared and submitted in accordance with HUD requirements on the form prescribed by HUD.

(c) *Revisions of utility allowance schedule.* (1) A PHA must review its schedule of utility allowances each year, and must revise its allowance for a utility category if there has been a change of 10 percent or more in the utility rate since the last time the utility allowance schedule was revised. The PHA must maintain information supporting its annual review of utility allowances and any revisions made in its utility allowance schedule.

(2) At HUD's direction, the PHA must revise the utility allowance schedule to correct any errors, or as necessary to update the schedule.

(d) *Use of utility allowance schedule.* The PHA must use the appropriate utility allowance for the lesser of the size of dwelling unit actually leased by the family or the family unit size as determined under the PHA subsidy standards. In cases where the unit size leased exceeds the family unit size as determined under the PHA subsidy standards as a result of a reasonable accommodation, the PHA must use the appropriate utility allowance for the size of the dwelling unit actually leased by the family.

(e) *Higher utility allowance as reasonable accommodation for a person with disabilities.* On request from a family that includes a person with disabilities, the PHA must approve a utility allowance which is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation in accordance with 24 CFR part 8 to make the program accessible to and usable by the family member with a disability.

(Information collection requirements contained in this section have been approved by the Office of Management and Budget under control number 2577–0169.)

[63 FR 23861, Apr. 30, 1998, as amended at 80 FR 8247, Feb. 17, 2015; 81 FR 12377, Mar. 8, 2016]

§ 982.521 Rent to owner in subsidized project.

(a) *Applicability to subsidized project.* This section applies to a program tenancy in any of the following types of federally subsidized project:

(1) An insured or non-insured Section 236 project;

(2) A Section 202 project;

(3) A Section 221(d)(3) below market interest rate (BMIR) project; or

(4) A Section 515 project of the Rural Development Administration.

(b) *How rent to owner is determined.* The rent to owner is the subsidized rent as determined in accordance with requirements for the applicable federal program listed in paragraph (a) of this section. This determination is not subject to the prohibition against increasing the rent to owner during the initial lease term (see § 982.309).

[65 FR 16822, Mar. 30, 2000, as amended at 80 FR 8247, Feb. 17, 2015]

Subpart L—Family Obligations; Denial and Termination of Assistance

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.551 Obligations of participant.

(a) *Purpose.* This section states the obligations of a participant family under the program.

(b) *Supplying required information*—(1) The family must supply any information that the PHA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR part 5). ''Information'' includes any requested certification, release or other documentation.

(2) The family must supply any information requested by the PHA 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 (as provided by part 5, subpart B, of this title) and must sign and submit consent forms for obtaining information in accordance with part 5, subpart B, of this title.

(4) Any information supplied by the family must be true and complete.

(c) *HQS breach caused by family.* The family is responsible for an HQS breach caused by the family as described in § 982.404(b).

(d) *Allowing PHA inspection.* The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice.

(e) *Violation of lease.* The family may not commit any serious or repeated violation of the lease. Under 24 CFR 5.2005(c), an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as a serious or repeated lease violation by the victim, or threatened victim, of the domestic violence, dating violence, sexual assault, or stalking, or as good cause to terminate the tenancy, occupancy rights, or assistance of the victim.

(f) *Family notice of move or lease termination.* The family must notify the PHA and the owner before the family moves out of the unit, or terminates the lease on notice to the owner. See § 982.354(d).

(g) *Owner eviction notice.* The family must promptly give the PHA a copy of any owner eviction notice.

(h) *Use and occupancy of unit*—(1) The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

(2) The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly inform the PHA of the birth, adoption or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit. No other person [i.e., nobody but members of the assisted family] may reside in the unit (except for a foster child or live-in aide as provided in paragraph (h)(4) of this section).

(3) The family must promptly notify the PHA if any family member no longer resides in the unit.

(4) If the PHA has given approval, a foster child or a live-in-aide may reside in the unit. The PHA has the discretion to adopt reasonable policies concerning residence by a foster child or a live-in-aide, and defining when PHA consent may be given or denied.

(5) Members of the household may engage in legal profitmaking activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family.

(6) The family must not sublease or let the unit.

(7) The family must not assign the lease or transfer the unit.

(i) *Absence from unit.* The family must supply any information or certification requested by the PHA to verify that the family is living in the unit, or relating to family absence from the unit, including any PHA-requested information or certification on the purposes of family absences. The family must cooperate with the PHA for this purpose. The family must promptly notify the PHA of absence from the unit.

(j) *Interest in unit.* The family must not own or have any interest in the unit.

(k) *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.

(l) *Crime by household members.* The members of the household may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety, or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises (see § 982.553). Under 24 CFR 5.2005(b)(2), criminal activity directly related to domestic violence, dating violence, sexual assault, or stalking, engaged in by a member of a tenant's household, or any guest or other person under the tenant's control, shall not be cause for termination of tenancy, occupancy rights, or assistance of the victim, if the tenant or an affiliated individual of the tenant, as defined in 24 CFR 5.2003, is the victim.

(m) *Alcohol abuse by household members.* The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

(n) *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.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 11119, Mar. 18, 1996; 61 FR 13627, Mar. 27, 1996; 61 FR 27163, May 30, 1996; 64 FR 26650, May 14, 1999; 66 FR 28805, May 24, 2001; 73 FR 72345, Nov. 28, 2008; 75 FR 66264, Oct. 27, 2010; 80 FR 50575, Aug. 20, 2015; 81 FR 80817, Nov. 16, 2016]

§982.552 PHA denial or termination of assistance for family.

(a) *Action or inaction by family.* (1) A PHA may deny assistance for an applicant or terminate assistance for a participant under the programs because of the family's action or failure to act as described in this section or §982.553. The provisions of this section do not affect denial or termination of assistance for grounds other than action or failure to act by the family.

(2) Denial of assistance for an applicant may include any or all of the following: denying listing on the PHA waiting list, denying or withdrawing a voucher, refusing to enter into a HAP contract or approve a lease, and refusing to process or provide assistance under portability procedures.

(3) Termination of assistance for a participant may include any or all of the following: refusing to enter into a HAP contract or approve a lease, terminating housing assistance payments under an outstanding HAP contract, and refusing to process or provide assistance under portability procedures.

(4) This section does not limit or affect exercise of the PHA rights and remedies against the owner under the HAP contract, including termination, suspension or reduction of housing assistance payments, or termination of the HAP contract.

(b) *Requirement to deny admission or terminate assistance.* (1) For provisions on denial of admission and termination of assistance for illegal drug use, other criminal activity, and alcohol abuse that would threaten other residents, see §982.553.

(2) The PHA must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.

(3) The PHA must deny admission to the program for an applicant, or terminate program assistance for a participant, if any member of the family fails to sign and submit consent forms for obtaining information in accordance with part 5, subparts B and F of this title.

(4) The family must submit required evidence of citizenship or eligible immigration status. See part 5 of this title for a statement of circumstances in which the PHA must deny admission or terminate program assistance because a family member does not establish citizenship or eligible immigration status, and the applicable informal hearing procedures.

(5) The PHA must deny or terminate assistance if any family member fails to meet the eligibility requirements concerning individuals enrolled at an institution of higher education as specified in 24 CFR 5.612.

(c) *Authority to deny admission or terminate assistance*—(1) *Grounds for denial or termination of assistance.* The PHA may at any time deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following grounds:

(i) If the family violates any family obligations under the program (see §982.551). See §982.553 concerning denial or termination of assistance for crime by family members.

(ii) If any member of the family has been evicted from federally assisted housing in the last five years;

(iii) If a PHA has ever terminated assistance under the program for any member of the family.

(iv) If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program (see also §982.553(a)(1));

(v) If the family currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

(vi) If the family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

(vii) If the family breaches an agreement with the PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA. (The PHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a PHA or amounts paid to an owner by a PHA. The PHA may prescribe the terms of the agreement.)

(viii) If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation.

(ix) If the family has engaged in or threatened abusive or violent behavior toward PHA personnel.

(x) If a welfare-to-work (WTW) family fails, willfully and persistently, to fulfill its obligations under the welfare-to-work voucher program.

(xi) If the family has been engaged in criminal activity or alcohol abuse as described in § 982.553.

(2) *Consideration of circumstances.* In determining whether to deny or terminate assistance because of action or failure to act by members of the family:

(i) The PHA may consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

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

(iii) In determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the PHA may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the PHA may require the applicant or tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

(iv) If the family includes a person with disabilities, the PHA decision concerning such action is subject to consideration of reasonable accommodation in accordance with part 8 of this title.

(v) *Nondiscrimination limitation and protection for victims of domestic violence, dating violence, sexual assault, or stalking.* The PHA's admission and termination actions must be consistent with fair housing and equal opportunity provisions of 24 CFR 5.105, and with the requirements of 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking).

(d) *Information for family.* The PHA must give the family a written description of:

(1) Family obligations under the program.

(2) The grounds on which the PHA may deny or terminate assistance because of family action or failure to act.

(3) The PHA informal hearing procedures.

(e) *Applicant screening.* The PHA may at any time deny program assistance for an applicant in accordance with the PHA policy, as stated in the PHA administrative plan, on screening of applicants for family behavior or suitability for tenancy.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 13627, Mar. 27, 1996; 63 FR 23865, Apr. 30, 1998; 64 FR 26650, May 14, 1999; 64 FR 49659, Sept. 14, 1999; 64 FR 56915, Oct. 21, 1999; 65 FR 16823, Mar. 30, 2000; 66 FR 28805, May 24, 2001; 70 FR 77744, Dec. 30, 2005; 73 FR 72345, Nov. 28, 2008; 75 FR 66264, Oct. 27, 2010; 80 FR 8247, Feb. 17, 2015; 81 FR 80817, Nov. 16, 2016]

§ 982.553 Denial of admission and termination of assistance for criminals and alcohol abusers.

(a) *Denial of admission*—(1) *Prohibiting admission of drug criminals.* (i) The PHA *must* prohibit admission to the program of an applicant for three years from the date of eviction if a household member has been evicted from federally assisted housing for drug-related criminal activity. However, the PHA may admit the household if the PHA determines:

(A) That the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the PHA; or

(B) That the circumstances leading to eviction no longer exist (for example, the criminal household member has died or is imprisoned).

(ii) The PHA must establish standards that prohibit admission if:

(A) The PHA determines that any household member is currently engaging in illegal use of a drug;

(B) The PHA determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents; or

(C) Any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

(2) *Prohibiting admission of other criminals—(i) Mandatory prohibition.* The PHA *must* establish standards that prohibit admission to the program if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. In this screening of applicants, the PHA must perform criminal history background checks necessary to determine whether any household member is subject to a lifetime sex offender registration requirement in the State where the housing is located and in other States where the household members are known to have resided.

(ii) *Permissive prohibitions.* (A) The PHA *may* prohibit admission of a household to the program if the PHA determines that any household member is currently engaged in, or has engaged in during a reasonable time before the admission:

(1) Drug-related criminal activity;

(2) Violent criminal activity;

(3) Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; or

(4) Other criminal activity which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of the PHA (including a PHA employee or a PHA contractor, subcontractor or agent).

(B) The PHA may establish a period before the admission decision during which an applicant must not have engaged in the activities specified in paragraph (a)(2)(i) of this section (''reasonable time'').

(C) If the PHA previously denied admission to an applicant because a member of the household engaged in criminal activity, the PHA may reconsider the applicant if the PHA has sufficient evidence that the members of the household are not currently engaged in, and have not engaged in, such criminal activity during a reasonable period, as determined by the PHA, before the admission decision.

(1) The PHA would have ''sufficient evidence'' if the household member submitted a certification that she or he is not currently engaged in and has not engaged in such criminal activity during the specified period and provided supporting information from such sources as a probation officer, a landlord, neighbors, social service agency workers and criminal records, which the PHA verified.

(2) For purposes of this section, a household member is ''currently engaged in'' criminal activity if the person has engaged in the behavior recently enough to justify a reasonable belief that the behavior is current.

(3) *Prohibiting admission of alcohol abusers.* The PHA must establish standards that prohibit admission to the program if the PHA determines that it has reasonable cause to believe that a household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

(b) *Terminating assistance*—(1) *Terminating assistance for drug criminals.* (i) The PHA *must* establish standards that allow the PHA to terminate assistance for a family under the program if the PHA determines that:

(A) Any household member is currently engaged in any illegal use of a drug; or

(B) A pattern of illegal use of a drug by any household member interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(ii) The PHA must immediately terminate assistance for a family under the program if the PHA determines that any member of the household has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

(iii) The PHA must establish standards that allow the PHA to terminate assistance under the program for a family if the PHA determines that any family member has violated the family's obligation under § 982.551 not to engage in any drug-related criminal activity.

(2) *Terminating assistance for other criminals.* The PHA must establish standards that allow the PHA to terminate assistance under the program for a family if the PHA determines that any household member has violated the family's obligation under § 982.551 not to engage in violent criminal activity.

(3) *Terminating assistance for alcohol abusers.* The PHA must establish standards that allow termination of assistance for a family if the PHA determines that a household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

(c) *Evidence of criminal activity.* The PHA may terminate assistance for criminal activity by a household member as authorized in this section if the PHA determines, based on a preponderance of the evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity.

(d) *Use of criminal record*—(1) *Denial.* If a PHA proposes to deny admission for criminal activity as shown by a criminal record, the PHA must provide the subject of the record and the applicant with a copy of the criminal record. The PHA must give the family an opportunity to dispute the accuracy and relevance of that record, in the informal review process in accordance with § 982.554. (See part 5, subpart J for provision concerning access to criminal records.)

(2) *Termination of assistance.* If a PHA proposes to terminate assistance for criminal activity as shown by a criminal record, the PHA must notify the household of the proposed action to be based on the information and must provide the subject of the record and the tenant with a copy of the criminal record. The PHA must give the family an opportunity to dispute the accuracy and relevance of that record in accordance with § 982.555.

(3) *Cost of obtaining criminal record.* The PHA may not pass along to the tenant the costs of a criminal records check.

(e) The requirements in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking) apply to this section.

[66 FR 28805, May 24, 2001, as amended at 73 FR 72345, Nov. 28, 2008; 75 FR 66264, Oct. 27, 2010; 80 FR 8247, Feb. 17, 2015; 81 FR 80817, Nov. 16, 2016]

§ 982.554 Informal review for applicant.

(a) *Notice to applicant.* The PHA must give an applicant for participation prompt notice of a decision denying assistance to the applicant. The notice must contain a brief statement of the reasons for the PHA decision. The notice must also state that the applicant may request an informal review of the decision and must describe how to obtain the informal review.

(b) *Informal review process.* The PHA must give an applicant an opportunity for an informal review of the PHA decision denying assistance to the applicant. The administrative plan must state the PHA procedures for conducting an informal review. The PHA review procedures must comply with the following:

(1) The review may be conducted by any person or persons designated by the PHA, other than a person who made or approved the decision under review or a subordinate of this person.

(2) The applicant must be given an opportunity to present written or oral objections to the PHA decision.

(3) The PHA must notify the applicant of the PHA final decision after the informal review, including a brief statement of the reasons for the final decision.

(c) *When informal review is not required.* The PHA is not required to provide the applicant an opportunity for an informal review for any of the following:

(1) Discretionary administrative determinations by the PHA.

(2) General policy issues or class grievances.

(3) A determination of the family unit size under the PHA subsidy standards.

(4) A PHA determination not to approve an extension of the voucher term.

(5) A PHA determination not to grant approval of the tenancy.

(6) An PHA determination that a unit selected by the applicant is not in compliance with HQS.

(7) An PHA determination that the unit is not in accordance with HQS because of the family size or composition.

(d) *Restrictions on assistance for noncitizens.* The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained in 24 CFR part 5.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 13627, Mar. 27, 1996; 64 FR 26650, May 14, 1999; 80 FR 50575, Aug. 20, 2015]

§982.555 Informal hearing for participant.

(a) *When hearing is required.* (1) A PHA must give a participant family an opportunity for an informal hearing to consider whether the following PHA decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations and PHA policies:

(i) A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.

(ii) A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the PHA utility allowance schedule.

(iii) A determination of the family unit size under the PHA subsidy standards.

(iv) A determination to terminate assistance for a participant family because of the family's action or failure to act (see §982.552).

(v) A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under PHA policy and HUD rules.

(2) In the cases described in paragraphs (a)(1) (iv), (v) and (vi) of this section, the PHA must give the opportunity for an informal hearing before the PHA terminates housing assistance payments for the family under an outstanding HAP contract.

(b) *When hearing is not required.* The PHA is not required to provide a participant family an opportunity for an informal hearing for any of the following:

(1) Discretionary administrative determinations by the PHA.

(2) General policy issues or class grievances.

(3) Establishment of the PHA schedule of utility allowances for families in the program.

(4) A PHA determination not to approve an extension of the voucher term.

(5) A PHA determination not to approve a unit or tenancy.

(6) A PHA determination that an assisted unit is not in compliance with HQS. (However, the PHA must provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in §982.551(c).)

(7) A PHA determination that the unit is not in accordance with HQS because of the family size.

(8) A determination by the PHA to exercise or not to exercise any right or remedy against the owner under a HAP contract.

(c) *Notice to family.* (1) In the cases described in paragraphs (a)(1) (i), (ii) and (iii) of this section, the PHA must notify the family that the family may ask for an explanation of the basis of the PHA 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 (a)(1) (iv), (v) and (vi) of this section, the PHA must give the family prompt written notice that the family

may request a hearing. The notice must:

(i) Contain a brief statement of reasons for the decision,

(ii) State that if the family does not agree with the decision, the family may request an informal hearing on the decision, and

(iii) State the deadline for the family to request an informal hearing.

(d) *Expeditious hearing process.* Where a hearing for a participant family is required under this section, the PHA must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

(e) *Hearing procedures*—(1) *Administrative plan.* The administrative plan must state the PHA procedures for conducting informal hearings for participants.

(2) *Discovery*—(i) *By family.* The family must be given the opportunity to examine before the PHA hearing any PHA documents that are directly relevant to the hearing. The family must be allowed to copy any such document at the family's expense. If the PHA does not make the document available for examination on request of the family, the PHA may not rely on the document at the hearing.

(ii) *By PHA.* The PHA hearing procedures may provide that the PHA must be given the opportunity to examine at PHA offices before the PHA hearing any family documents that are directly relevant to the hearing. The PHA must be allowed to copy any such document at the PHA's expense. If the family does not make the document available for examination on request of the PHA, the family may not rely on the document at the hearing.

(iii) *Documents.* The term "documents" includes records and regulations.

(3) *Representation of family.* At its own expense, the family may be represented by a lawyer or other representative.

(4) *Hearing officer: Appointment and authority.* (i) The hearing may be conducted by any person or persons designated by the PHA, other than a person who made or approved the decision under review or a subordinate of this person.

(ii) The person who conducts the hearing may regulate the conduct of the hearing in accordance with the PHA hearing procedures.

(5) *Evidence.* The PHA and the family must be given the opportunity to present evidence, and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

(6) *Issuance of decision.* The person who conducts the hearing must issue a written decision, 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. A copy of the hearing decision shall be furnished promptly to the family.

(f) *Effect of decision.* The PHA is not bound by a hearing decision:

(1) Concerning a matter for which the PHA 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 PHA hearing procedures.

(2) Contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.

(3) If the PHA determines that it is not bound by a hearing decision, the PHA must promptly notify the family of the determination, and of the reasons for the determination.

(g) *Restrictions on assistance to noncitizens.* The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained in 24 CFR part 5.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 13627, Mar. 27, 1996; 64 FR 26650, May 14, 1999; 65 FR 16823, Mar. 30, 2000; 80 FR 8247, Feb. 17, 2015; 80 FR 50575, Aug. 20, 2015]

Subpart M—Special Housing Types

SOURCE: 63 FR 23865, Apr. 30, 1998, unless otherwise noted.

§ 982.601 Overview.

(a) *Special housing types.* This subpart describes program requirements for special housing types. The following are the special housing types:

(1) Single room occupancy (SRO) housing;

(2) Congregate housing;

(3) Group home;

(4) Shared housing;

(5) Manufactured home;

(6) Cooperative housing (excluding families that are not cooperative members); and

(7) Homeownership option.

(b) *PHA choice to offer special housing type.* (1) The PHA may permit a family to use any of the following special housing types in accordance with requirements of the program: single room occupancy (SRO) housing, congregate housing, group home, shared housing, manufactured home when the family owns the home and leases the manufactured home space, cooperative housing or homeownership option.

(2) In general, the PHA is not required to permit families (including families that move into the PHA program under portability procedures) to use any of these special housing types, and may limit the number of families using special housing types.

(3) The PHA must permit use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8.

(4) For occupancy of a manufactured home, see § 982.620(a).

(c) *Program funding for special housing types.* (1) HUD does not provide any additional or designated funding for special housing types, or for a specific special housing type (e.g., the homeownership option). Assistance for special housing types is paid from program funding available for the PHA's tenant-based program under the consolidated annual contributions contract.

(2) The PHA may not set aside program funding or program slots for special housing types or for a specific special housing type.

(d) *Family choice of housing and housing type.* The family chooses whether to use housing that qualifies as a special housing type under this subpart, or as any specific special housing type, or to use other eligible housing in accordance with requirements of the program. The PHA may not restrict the family's freedom to choose among available units in accordance with § 982.353.

(e) *Applicability of requirements.* (1) Except as modified by this subpart, the requirements of other subparts of this part apply to the special housing types.

(2) Provisions in this subpart only apply to a specific special housing type. The housing type is noted in the title of each section.

(3) Housing must meet the requirements of this subpart for a single special housing type specified by the family. Such housing is not subject to requirements for other special housing types. A single unit cannot be designated as more than one special housing type.

[63 FR 23865, Apr. 30, 1998, as amended at 65 FR 55162, Sept. 12, 2000; 67 FR 64493, Oct. 18, 2002; 80 FR 8247, Feb. 17, 2015]

SINGLE ROOM OCCUPANCY (SRO)

§ 982.602 SRO: Who may reside in an SRO?

A single person may reside in an SRO housing unit.

[64 FR 26650, May 14, 1999]

§ 982.603 SRO: Lease and HAP contract.

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

§ 982.604 SRO: Voucher housing assistance payment.

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

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

[64 FR 26650, May 14, 1999]

§ 982.605 SRO: Housing quality standards.

(a) *HQS standards for SRO.* The HQS in § 982.401 apply to SRO housing. However, the standards in this section apply in place of § 982.401(b) (sanitary facilities), § 982.401(c) (food preparation and refuse disposal), and § 982.401(d) (space and security). Since the SRO units will not house children, the housing quality standards in § 982.401(j), concerning lead-based paint, do not apply to SRO housing.

(b) *Performance requirements.* (1) SRO housing is subject to the additional performance requirements in this paragraph (b).

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

(i) *Sanitary facilities.* (A) At least one flush toilet that can be used in privacy, lavatory basin, and bathtub or shower, in proper operating condition, must be supplied for each six persons or fewer residing in the SRO housing.

(B) If SRO units are leased only to males, flush urinals may be substituted for not more than one-half the required number of flush toilets. However, there must be at least one flush toilet in the building.

(C) Every lavatory basin and bathtub or shower must be supplied at all times with an adequate quantity of hot and cold running water.

(D) All of these facilities must be in proper operating condition, and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approvable public or private disposal system.

(E) Sanitary facilities must be reasonably accessible from a common hall or passageway to all persons sharing them. These facilities may not be located more than one floor above or below the SRO unit. Sanitary facilities may not be located below grade unless the SRO units are located on that level.

(ii) *Space and security.* (A) No more than one person may reside in an SRO unit.

(B) An SRO unit must contain at least one hundred ten square feet of floor space.

(C) An SRO unit must contain at least four square feet of closet space for each resident (with an unobstructed height of at least five feet). If there is less closet space, space equal to the amount of the deficiency must be subtracted from the area of the habitable room space when determining the amount of floor space in the SRO unit. The SRO unit must contain at least one hundred ten square feet of remaining floor space after subtracting the amount of the deficiency in minimum closet space.

(D) Exterior doors and windows accessible from outside an SRO unit must be lockable.

(3) *Access.* (i) Access doors to an SRO unit must have locks for privacy in proper operating condition.

(ii) An SRO unit must have immediate access to two or more approved means of exit, appropriately marked, leading to safe and open space at ground level, and any means of exit required by State and local law.

(iii) The resident must be able to access an SRO unit without passing through any other unit.

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

CONGREGATE HOUSING

§ 982.606 Congregate housing: Who may reside in congregate housing.

(a) An elderly person or a person with disabilities may reside in a congregate housing unit.

(b)(1) If approved by the PHA, a family member or live-in aide may reside with the elderly person or person with disabilities.

(2) The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24

CFR part 8. See § 982.316 concerning occupancy by a live-in aide.

§ 982.607 Congregate housing: Lease and HAP contract.

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

§ 982.608 Congregate housing: Voucher housing assistance payment.

(a) Unless there is a live-in aide:

(1) For a family residing in congregate housing, the payment standard is the zero-bedroom payment standard amount on the PHA payment standard schedule. For a family residing in congregate housing in an exception area, the payment standard is the HUD-approved zero-bedroom exception payment standard amount.

(2) However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family residing in congregate housing is the one-bedroom payment standard amount.

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

[63 FR 23865, Apr. 30, 1998, as amended at 64 FR 26650, May 14, 1999]

§ 982.609 Congregate housing: Housing quality standards.

(a) *HQS standards for congregate housing.* The HQS in § 982.401 apply to congregate housing. However, the standards in this section apply in place of § 982.401(c) (food preparation and refuse disposal). Congregate housing is not subject to the HQS acceptability requirement in § 982.401(d)(2)(i) that the dwelling unit must have a kitchen area.

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

(1) The unit must contain a refrigerator of appropriate size.

(2) There must be central kitchen and dining facilities on the premises. These facilities:

(i) Must be located within the premises, and accessible to the residents;

(ii) Must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner;

(iii) Must be used to provide a food service that is provided for the residents, and that is not provided by the residents; and

(iv) Must be for the primary use of residents of the congregate units and be sufficient in size to accommodate the residents.

(3) There must be adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where necessary.

GROUP HOME

§ 982.610 Group home: Who may reside in a group home.

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

(b)(1) If approved by the PHA, a live-in aide may reside with a person with disabilities.

(2) The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See § 982.316 concerning occupancy by a live-in aide.

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

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

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

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

§ 982.611 Group home: Lease and HAP contract.

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

§ 982.612 Group home: State approval of group home.

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

§ 982.613 Group home: Rent and voucher housing assistance payment.

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

(b) *Rent to owner: Reasonable rent limit.* (1) The rent to owner for an assisted person may not exceed the prorata portion of the reasonable rent for the group home.

(2) The reasonable rent for a group home is determined in accordance with § 982.507. In determining reasonable rent for the group home, the PHA must consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private facilities.

(c) *Payment standard*—(1) *Family unit size.* (i) Unless there is a live-in aide, the family unit size is zero or one bedroom.

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

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

(i) The payment standard amount on the PHA payment standard schedule for the family unit size; or (ii) The prorata portion of the payment standard amount on the PHA payment standard schedule for the group home size.

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

(d) *Utility allowance.* The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

[63 FR 23865, Apr. 30, 1998, as amended at 64 FR 26651, May 14, 1999]

§ 982.614 Group home: Housing quality standards.

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

(b) *Applicable HQS standards.* (1) The HQS in § 982.401 apply to assistance in a group home. However, the standards in this section apply in place of § 982.401(b) (sanitary facilities), § 982.401(c) (food preparation and refuse disposal), § 982.401(d) (space and security), § 982.401(g) (structure and materials) and § 982.401(l) (site and neighborhood).

(2) The entire unit must comply with the HQS.

(c) *Additional performance requirements.* The following additional performance requirements apply to a group home:

(1) *Sanitary facilities.* (i) There must be a bathroom in the unit. The unit must contain, and an assisted resident must have ready access to:

(A) A flush toilet that can be used in privacy;

(B) A fixed basin with hot and cold running water; and

(C) A shower or bathtub with hot and cold running water.

(ii) All of these facilities must be in proper operating condition, and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approvable public or private disposal system.

(iii) The unit may contain private or common sanitary facilities. However, the facilities must be sufficient in number so that they need not be shared by more than four residents of the group home.

(iv) Sanitary facilities in the group home must be readily accessible to and usable by residents, including persons with disabilities.

(2) *Food preparation and service.* (i) The unit must contain a kitchen and a dining area. There must be adequate space to store, prepare, and serve foods in a sanitary manner.

(ii) Food preparation and service equipment must be in proper operating condition. The equipment must be adequate for the number of residents in the group home. The unit must contain the following equipment:

(A) A stove or range, and oven;

(B) A refrigerator; and

(C) A kitchen sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.

(iii) There must be adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where necessary.

(iv) The unit may contain private or common facilities for food preparation and service.

(3) *Space and security.* (i) The unit must provide adequate space and security for the assisted person.

(ii) The unit must contain a living room, kitchen, dining area, bathroom, and other appropriate social, recreational or community space. The unit must contain at least one bedroom of appropriate size for each two persons.

(iii) Doors and windows that are accessible from outside the unit must be lockable.

(4) *Structure and material.* (i) The unit must be structurally sound to avoid any threat to the health and safety of the residents, and to protect the residents from the environment.

(ii) Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, loose surface materials, severe buckling or noticeable movement under walking stress, missing parts or other significant damage. The roof structure must be firm, and the roof must be weathertight. The exterior or wall structure and exterior wall surface may not have any serious defects such as serious leaning, buckling, sagging, cracks or large holes, loose siding, or other serious damage. The condition and equipment of interior and exterior stairways, halls, porches, walkways, etc., must not present a danger of tripping or falling. Elevators must be maintained in safe operating condition.

(iii) The group home must be accessible to and usable by a resident with disabilities.

(5) *Site and neighborhood.* The site and neighborhood must be reasonably free from disturbing noises and reverberations and other hazards to the health, safety, and general welfare of the residents. The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps, instability, flooding, poor drainage, septic tank back-ups, sewage hazards or mud slides, abnormal air pollution, smoke or dust, excessive noise, vibrations or vehicular traffic, excessive accumulations of trash, vermin or rodent infestation, or fire hazards. The unit must be located in a residential setting.

SHARED HOUSING

§ 982.615 Shared housing: Occupancy.

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

(b) *Who may share a dwelling unit with assisted family?* (1) If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See § 982.316 concerning occupancy by a live-in aide.

(2) Other persons who are assisted under the tenant-based program, or other persons who are not assisted under the tenant-based program, may reside in a shared housing unit.

(3) The owner of a shared housing unit may reside in the unit. A resident owner may enter into a HAP contract with the PHA. However, housing assistance may not be paid on behalf of an owner. An assisted person may not be related by blood or marriage to a resident owner.

[63 FR 23865, Apr. 30, 1998, as amended at 80 FR 8247, Feb. 17, 2015]

§ 982.616 Shared housing: Lease and HAP contract.

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

§ 982.617 Shared housing: Rent and voucher housing assistance payment.

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

(b) *Rent to owner: Reasonable rent.* (1) The rent to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit.

(2) The reasonable rent is determined in accordance with § 982.507.

(c) *Payment standard.* The payment standard for a family that resides in a shared housing is the lower of:

(1) The payment standard amount on the PHA payment standard schedule for the family unit size; or

(2) The pro-rata portion of the payment standard amount on the PHA payment standard schedule for the size of the shared housing unit.

(d) *Utility allowance.* The utility allowance for an assisted family residing in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

[63 FR 23865, Apr. 30, 1998, as amended at 64 FR 26651, May 14, 1999]

§ 982.618 Shared housing: Housing quality standards.

(a) *Compliance with HQS.* The PHA may not give approval to reside in shared housing unless the entire unit, including the portion of the unit available for use by the assisted family under its lease, meets the housing quality standards.

(b) *Applicable HQS standards.* The HQS in § 982.401 apply to assistance in shared housing. However, the HQS standards in this section apply in place of § 982.401(d) (space and security).

(c) *Facilities available for family.* The facilities available for the use of an assisted family in shared housing under the family's lease must include (whether in the family's private space or in the common space) a living room, sanitary facilities in accordance with § 982.401(b), and food preparation and refuse disposal facilities in accordance with § 982.401(c).

(d) *Space and security: Performance requirements.* (1) The entire unit must provide adequate space and security for all its residents (whether assisted or unassisted).

(2)(i) Each unit must contain private space for each assisted family, plus common space for shared use by the residents of the unit. Common space must be appropriate for shared use by the residents.

(ii) The private space for each assisted family must contain at least one bedroom for each two persons in the family. The number of bedrooms in the private space of an assisted family may not be less than the family unit size.

(iii) A zero or one bedroom unit may not be used for shared housing.

COOPERATIVE

§ 982.619 Cooperative housing.

(a) *Assistance in cooperative housing.* This section applies to rental assistance for a cooperative member residing in cooperative housing. However, this section does not apply to:

(1) Assistance for a cooperative member under the homeownership option pursuant to §§ 982.625 through 982.641; or

(2) Rental assistance for a family that leases a cooperative housing unit from a cooperative member (such rental assistance is not a special housing type, and is subject to requirements in other subparts of this part 982).

(b) *Rent to owner.* (1) The reasonable rent for a cooperative unit is determined in accordance with § 982.507. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

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

(3) Gross rent is the carrying charge plus any utility allowance.

(4) Adjustments are applied to the carrying charge as determined in accordance with this section.

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

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

(d) *Maintenance*. (1) During the term of the HAP contract between the PHA and the cooperative, the dwelling unit and premises must be maintained in accordance with the HQS. If the dwelling unit and premises are not maintained in accordance with the HQS, the PHA may exercise all available remedies, regardless of whether the family or the cooperative is responsible for such breach of the HQS. PHA remedies for breach of the HQS include recovery of overpayments, abatement or other reduction of housing assistance payments, termination of housing assistance payments and termination of the HAP contract.

(2) The PHA may not make any housing assistance payments if the contract unit does not meet the HQS, unless any defect is corrected within the period specified by the PHA and the PHA verifies the correction. If a defect is life-threatening, the defect must be corrected within no more than 24 hours. For other defects, the defect must be corrected within the period specified by the PHA.

(3) The family is responsible for a breach of the HQS that is caused by any of the following:

(i) The family fails to perform any maintenance for which the family is responsible in accordance with the terms of the cooperative occupancy agreement between the cooperative member and the cooperative;

(ii) The family fails to pay for any utilities that the cooperative is not required to pay for, but which are to be paid by the cooperative member;

(iii) The family fails to provide and maintain any appliances that the cooperative is not required to provide, but which are to be provided by the cooperative member; or

(iv) Any member of the household or guest damages the dwelling unit or premises (damages beyond ordinary wear and tear).

(4) If the family has caused a breach of the HQS for which the family is responsible, the PHA must take prompt and vigorous action to enforce such family obligations. The PHA may terminate assistance for violation of family obligations in accordance with §982.552.

(5) Section 982.404 does not apply to assistance for cooperative housing under this section.

(e) *Live-in aide*. (1) If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See §982.316 concerning occupancy by a live-in aide.

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

[63 FR 23865, Apr. 30, 1998, as amended at 64 FR 26651, May 14, 1999; 65 FR 55162, Sept. 12, 2000; 80 FR 8247, Feb. 17, 2015]

MANUFACTURED HOME

§982.620 Manufactured home: Applicability of requirements.

(a) *Assistance for resident of manufactured home*. (1) A family may reside in a manufactured home with assistance under the program.

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

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

(b) *Applicability*. (1) The HQS in §982.621 always apply when assistance is provided to a family occupying a manufactured home (under paragraph (a)(2) or (a)(3) of this section).

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

(c) *Live-in aide.* (1) If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See § 982.316 concerning occupancy by a live-in aide.

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

§ 982.621 Manufactured home: Housing quality standards.

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

(a) *Performance requirement.* A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.

(b) *Acceptability criteria.* A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

MANUFACTURED HOME SPACE RENTAL

§ 982.622 Manufactured home space rental: Rent to owner.

(a) *What is included.* (1) Rent to owner for rental of a manufactured home space includes payment for maintenance and services that the owner must provide to the tenant under the lease for the space.

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

(b) *Reasonable rent.* (1) During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined in accordance with this section. Section 982.503 is not applicable.

(2) The PHA may not approve a lease for a manufactured home space until the PHA determines that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the PHA must redetermine that the current rent to owner is a reasonable rent.

(3) The PHA must determine whether the rent to owner for the manufactured home space is a reasonable rent in comparison to rent for other comparable manufactured home spaces. To make this determination, the PHA must consider the location and size of the space, and any services and maintenance to be provided by the owner in accordance with the lease (without a fee in addition to the rent).

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

§ 982.623 Manufactured home space rental: Housing assistance payment.

(a) There is a separate fair market rent for a manufactured home space. The FMR for a manufactured home space is determined in accordance with § 888.113(e) of this title. The FMR for a manufactured home space is generally 40 percent of the published FMR for a two-bedroom unit.

(b) The payment standard shall be determined in accordance with § 982.505.

(c) The PHA shall pay a monthly housing assistance payment on behalf of the family that is equal to the lower of:

(1) The payment standard minus the total tenant payment; or

(2) The rent paid for rental of the real property on which the manufactured home owned by the family is located (''space rent'') minus the total tenant payment.

(d) The space rent is the sum of the following as determined by the PHA:

(1) Rent to owner for the manufactured home space;

(2) Owner maintenance and management charges for the space;

(3) The utility allowance for tenant-paid utilities.

[64 FR 26651, May 14, 1999; 64 FR 49659, Sept. 14, 1999; 64 FR 56915, Oct. 21, 1999; 80 FR 8247, Feb. 17, 2015]

§ 982.624 Manufactured home space rental: Utility allowance schedule.

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

HOMEOWNERSHIP OPTION

SOURCE: 65 FR 55163, Sept. 12, 2000, unless otherwise noted.

§ 982.625 Homeownership option: General.

(a) The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family.

(b) A family assisted under the homeownership option may be a newly admitted or existing participant in the program.

(c) *Forms of homeownership assistance.* (1) A PHA may provide one of two forms of homeownership assistance for a family:

(i) Monthly homeownership assistance payments; or

(ii) A single downpayment assistance grant.

(2) *Prohibition against combining forms of homeownership assistance.* A family may only receive one form of homeownership assistance. Accordingly, a family that includes a person who was an adult member of a family that previously received either of the two forms of homeownership assistance may not receive the other form of homeownership assistance from any PHA.

(d) *PHA choice to offer homeownership options.* (1) The PHA may choose to offer either or both forms of homeownership assistance under this subpart, or choose not to offer either form of assistance. However, the PHA must offer either form of homeownership assistance if necessary as a reasonable accommodation for a person with disabilities in accordance with § 982.601(b)(3).

(2) It is the sole responsibility of the PHA to determine whether it is reasonable to implement a homeownership program as a reasonable accommodation. The PHA will determine what is reasonable based on the specific circumstances and individual needs of the person with a disability. The PHA may determine that it is not reasonable to offer homeownership assistance as a reasonable accommodation in cases where the PHA has otherwise opted not to implement a homeownership program.

(e) *Family choice.* (1) The family chooses whether to participate in the homeownership option if offered by the PHA.

(2) If the PHA offers both forms of homeownership assistance, the family chooses which form of homeownership assistance to receive.

(f) The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and useable by persons with disabilities in accordance with part 8 of this title. (See § 982.316 concerning occupancy by a live-in aide.)

(g) The PHA must have the capacity to operate a successful Section 8 homeownership program. The PHA has the required capacity if it satisfies either paragraph (g)(1), (g)(2), or (g)(3) of this section.

(1) The PHA establishes a minimum homeowner downpayment requirement of at least 3 percent of the purchase price for participation in its Section 8 homeownership program, and requires that at least one percent of the purchase price come from the family's personal resources;

(2) The PHA requires that financing for purchase of a home under its Section 8 homeownership program:

(i) Be provided, insured, or guaranteed by the state or Federal government;

(ii) Comply with secondary mortgage market underwriting requirements; or

(iii) Comply with generally accepted private sector underwriting standards; or

(3) The PHA otherwise demonstrates in its Annual Plan that it has the capacity, or will acquire the capacity, to successfully operate a Section 8 homeownership program.

(h) *Recapture of homeownership assistance.* A PHA shall not impose or enforce any requirement for the recapture of voucher homeownership assistance on the sale or refinancing of a home purchased with assistance under the homeownership option.

(i) *Applicable requirements.* The following specify what regulatory provisions (under the heading ''homeownership option'') are applicable to either or both forms of homeownership assistance (except as otherwise specifically provided):

(1) *Common provisions.* The following provisions apply to both forms of homeownership assistance:

(i) Section 982.625 (General);

(ii) Section 982.626 (Initial requirements);

(iii) Section 982.627 (Eligibility requirements for families);

(iv) Section 982.628 (Eligible units);

(v) Section 982.629 (Additional PHA requirements for family search and purchase);

(vi) Section 982.630 (Homeownership counseling);

(vii) Section 982.631 (Home inspections, contract of sale, and PHA disapproval of seller);

(viii) Section 982.632 (Financing purchase of home; affordability of purchase);

(ix) Section 982.636 (Portability);

(x) Section 982.638 (Denial or termination of assistance for family); and

(xi) Section 982.641 (Applicability of other requirements).

(2) *Monthly homeownership assistance payments.* The following provisions only apply to homeownership assistance in the form of monthly homeownership assistance payments:

(i) Section 982.633 (Continued assistance requirements; family obligations);

(ii) Section 982.634 (Maximum term of homeownership assistance);

(iii) Section 982.635 (Amount and distribution of monthly homeownership assistance payment);

(iv) Section 982.637 (Move with continued tenant-based assistance); and

(v) Section 982.639 (Administrative fees).

(3) *Downpayment assistance grant.* The following provision only applies to homeownership assistance in the form of a downpayment assistance grant: Section 982.643 (Downpayment assistance grants).

[65 FR 55163, Sept. 12, 2000, as amended at 67 FR 64493, Oct. 18, 2002; 80 FR 8247, Feb. 17, 2015]

§ 982.626 Homeownership option: Initial requirements.

(a) *List of initial requirements.* Before commencing homeownership assistance for a family, the PHA must determine that all of the following initial requirements have been satisfied:

(1) The family is qualified to receive homeownership assistance (see § 982.627);

(2) The unit is eligible (see § 982.628); and

(3) The family has satisfactorily completed the PHA program of required pre-assistance homeownership counseling (see § 982.630).

(b) *Additional PHA requirements.* Unless otherwise provided in this part, the PHA may limit homeownership assistance to families or purposes defined by the PHA, and may prescribe additional requirements for commencement of homeownership assistance for a family. Any such limits or additional requirements must be described in the PHA administrative plan.

(c) *Environmental requirements.* The PHA is responsible for complying with the authorities listed in § 58.6 of this title requiring the purchaser to obtain and maintain flood insurance for units in special flood hazard areas, prohibiting assistance for acquiring units in the coastal barrier resources system, and requiring notification to the purchaser of units in airport runway clear zones and airfield clear zones. In the case of units not yet under construction at the time the family enters into the contract for sale, the additional environmental review requirements referenced in § 982.628(e) of this part also apply, and the PHA shall submit all relevant environmental information to the responsible entity or to HUD to assist in completion of those requirements.

[63 FR 23865, Apr. 30, 1998, as amended at 72 FR 59938, Oct. 22, 2007]

§ 982.627 Homeownership option: Eligibility requirements for families.

(a) *Determination whether family is qualified.* The PHA may not provide homeownership assistance for a family unless the PHA determines that the family satisfies all of the following initial requirements at commencement of homeownership assistance for the family:

(1) The family has been admitted to the Section 8 Housing Choice Voucher program, in accordance with subpart E of this part.

(2) The family satisfies any first-time homeowner requirements (described in paragraph (b) of this section).

(3) The family satisfies the minimum income requirement (described in paragraph (c) of this section).

(4) The family satisfies the employment requirements (described in paragraph (d) of this section).

(5) The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option (see paragraph (e) of this section).

(6) Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.

(7) Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with § 982.631(c).

(8) The family also satisfies any other initial requirements established by the PHA (see § 982.626(b)). Any such additional requirements must be described in the PHA administrative plan.

(b) *First-time homeowner requirements.* At commencement of homeownership assistance for the family, the family must be any of the following:

(1) A first-time homeowner (defined at § 982.4);

(2) A cooperative member (defined at § 982.4); or

(3) A family of which a family member is a person with disabilities, and use of the homeownership option is needed as a reasonable accommodation so that the program is readily accessible to and usable by such person, in accordance with part 8 of this title.

(c) *Minimum income requirements.* (1) At commencement of monthly homeownership assistance payments for the family, or at the time of a downpayment assistance grant for the family, the family must demonstrate that the annual income, as determined by the PHA in accordance with § 5.609 of this title, of the adult family members who will own the home at commencement of homeownership assistance is not less than:

(i) In the case of a disabled family (as defined in § 5.403(b) of this title), the monthly Federal Supplemental Security Income (SSI) benefit for an individual living alone (or paying his or her share of food and housing costs) multiplied by twelve; or

(ii) In the case of other families, the Federal minimum wage multiplied by 2,000 hours.

(2)(i) Except in the case of an elderly family or a disabled family (see the definitions of these terms at § 5.403(b) of this title), the PHA shall not count any welfare assistance received by the family in determining annual income under this section.

(ii) The disregard of welfare assistance income under paragraph (c)(2)(i) of this section only affects the determination of minimum annual income used to determine if a family initially qualifies for commencement of homeownership assistance in accordance with this section, but does not affect:

(A) The determination of income-eligibility for admission to the voucher program;

(B) Calculation of the amount of the family's total tenant payment (gross family contribution); or

(C) Calculation of the amount of homeownership assistance payments on behalf of the family.

(iii) In the case of an elderly or disabled family, the PHA shall include welfare assistance for the adult family members who will own the home in determining if the family meets the minimum income requirement.

(3) A PHA may establish a minimum income standard that is higher than those described in paragraph (c)(1) of this section for either or both types of families. However, a family that meets the applicable HUD minimum income requirement described in paragraph (c)(1) of this section, but not the higher standard established by the PHA shall be considered to satisfy the minimum income requirement if:

(i) The family demonstrates that it has been pre-qualified or pre-approved for financing;

(ii) The pre-qualified or pre-approved financing meets any PHA established requirements under § 982.632 for financing the purchase of the home (including qualifications of lenders and terms of financing); and

(iii) The pre-qualified or pre-approved financing amount is sufficient to purchase housing that meets HQS in the PHA's jurisdiction.

(d) *Employment requirements.* (1) Except as provided in paragraph (d)(2) of this section, the family must demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance:

(i) Is currently employed on a full-time basis (the term "full-time employment" means not less than an average of 30 hours per week); and

(ii) Has been continuously so employed during the year before commencement of homeownership assistance for the family.

(2) The PHA shall have discretion to determine whether and to what extent interruptions are considered to break continuity of employment during the year. The PHA may count successive employment during the year. The PHA may count self-employment in a business.

(3) The employment requirement does not apply to an elderly family or a disabled family (see the definitions of these terms at § 5.403(b) of this title). Furthermore, if a family, other than an elderly family or a disabled family, includes a person with disabilities, the PHA shall grant an exemption from the employment requirement if the PHA determines that an exemption is needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with part 8 of this title.

(4) A PHA may not establish an employment requirement in addition to the employment standard established by this paragraph.

(e) *Prohibition against assistance to family that has defaulted.* The PHA shall not commence homeownership assistance for a family that includes an individual who was an adult member of a family at the time when such family received homeownership assistance and defaulted on a mortgage securing debt incurred to purchase the home.

[65 FR 55163, Sept. 12, 2000, as amended at 67 FR 64493, Oct. 18, 2002; 80 FR 8247, Feb. 17, 2015]

§ 982.628 Homeownership option: Eligible units.

(a) *Initial requirements applicable to the unit.* The PHA must determine that the unit satisfies all of the following requirements:

(1) The unit is eligible. (See § 982.352. Paragraphs (a)(6), (a)(7) and (b) of § 982.352 do not apply.)

(2) The unit is either a one-unit property (including a manufactured home) or a single dwelling unit in a cooperative or condominium.

(3) The unit has been inspected by a PHA inspector and by an independent inspector designated by the family (see § 982.631).

(4) The unit satisfies the HQS (see § 982.401 and § 982.631).

(b) *Purchase of home where family will not own fee title to the real property.* Homeownership assistance may be provided for the purchase of a home where the family will not own fee title to the real property on which the home is located, but only if:

(1) The home is located on a permanent foundation; and

(2) The family has the right to occupy the home site for at least forty years.

(c) *PHA disapproval of seller.* The PHA may not commence homeownership assistance for occupancy of a home if the PHA has been informed (by HUD or otherwise) that the seller of the home is debarred, suspended, or subject to a limited denial of participation under 2 CFR part 2424.

(d) *PHA-owned units.* Homeownership assistance may be provided for the purchase of a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA), only if all of the following conditions are satisfied:

(1) The PHA must inform the family, both orally and in writing, that the family has the right to purchase any eligible unit and a PHA-owned unit is freely selected by the family without PHA pressure or steering;

(2) The unit is not ineligible housing;

(3) The PHA must obtain the services of an independent agency, in accordance with § 982.352(b)(1)(iv)(B) and (C), to perform the following PHA functions:

(i) Inspection of the unit for compliance with the HQS, in accordance with § 982.631(a);

(ii) Review of the independent inspection report, in accordance with § 982.631(b)(4);

(iii) Review of the contract of sale, in accordance with § 982.631(c); and

(iv) Determination of the reasonableness of the sales price and any PHA provided financing, in accordance with § 982.632 and other supplementary guidance established by HUD.

(e) *Units not yet under construction.* Families may enter into contracts of sale for units not yet under construction at the time the family enters into the contract for sale. However, the PHA shall not commence homeownership assistance for the family for that unit, unless and until:

(1) Either:

(i) The responsible entity completed the environmental review procedures required by 24 CFR part 58, and HUD approved the environmental certification and request for release of funds prior to commencement of construction; or

(ii) HUD performed an environmental review under 24 CFR part 50 and notified the PHA in writing of environmental approval of the site prior to commencement of construction;

(2) Construction of the unit has been completed; and

(3) The unit has passed the required Housing Quality Standards (HQS) inspection (see § 982.631(a)) and independent inspection (see § 982.631(b)).

[65 FR 55163, Sept. 12, 2000, as amended at 67 FR 64494, Oct. 18, 2002; 67 FR 65865, Oct. 28, 2002; 67 FR 67522, Nov. 6, 2002; 72 FR 59938, Oct. 22, 2007; 72 FR 73496, Dec. 27, 2007]

§ 982.629 Homeownership option: Additional PHA requirements for family search and purchase.

(a) The PHA may establish the maximum time for a family to locate a home, and to purchase the home.

(b) The PHA may require periodic family reports on the family's progress in finding and purchasing a home.

(c) If the family is unable to purchase a home within the maximum time established by the PHA, the PHA may issue the family a voucher to lease a unit or place the family's name on the waiting list for a voucher.

§ 982.630 Homeownership option: Homeownership counseling.

(a) Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling program required by the PHA (pre-assistance counseling).

(b) Suggested topics for the PHA-required pre-assistance counseling program include:

(1) Home maintenance (including care of the grounds);

(2) Budgeting and money management;

(3) Credit counseling;

(4) How to negotiate the purchase price of a home;

(5) How to obtain homeownership financing and loan preapprovals, including a description of types of financing that may be available, and the pros and cons of different types of financing;

(6) How to find a home, including information about homeownership opportunities, schools, and transportation in the PHA jurisdiction;

(7) Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;

(8) Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and

(9) Information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 *et seq.*) (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.

(c) The PHA may adapt the subjects covered in pre-assistance counseling (as listed in paragraph (b) of this section) to local circumstances and the needs of individual families.

(d) The PHA may also offer additional counseling after commencement of homeownership assistance (ongoing counseling). If the PHA offers a program of ongoing counseling for participants in the homeownership option, the PHA shall have discretion to determine whether the family is required to participate in the ongoing counseling.

(e) If the PHA is not using a HUD-approved housing counseling agency to provide the counseling for families participating in the homeownership option, the PHA should ensure that its counseling program is consistent with the homeownership counseling provided under HUD's Housing Counseling program.

§ 982.631 Homeownership option: Home inspections, contract of sale, and PHA disapproval of seller.

(a) HQS inspection by PHA. The PHA may not commence monthly homeownership assistance payments or provide a downpayment assistance grant for the family until the PHA has inspected the unit and has determined that the unit passes HQS.

(b) *Independent inspection.* (1) The unit must also be inspected by an independent professional inspector selected by and paid by the family.

(2) The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components.

(3) The PHA may not require the family to use an independent inspector selected by the PHA. The independent inspector may not be a PHA employee or contractor, or other person under control of the PHA. However, the PHA may establish standards for qualification of inspectors selected by families under the homeownership option.

(4) The independent inspector must provide a copy of the inspection report both to the family and to the PHA. The PHA may not commence monthly homeownership assistance payments, or provide a downpayment assistance grant for the family, until the PHA has reviewed the inspection report of the independent inspector. Even if the unit otherwise complies with the HQS (and may qualify for assistance under the PHA's tenant-based rental voucher program), the PHA shall have discretion to disapprove the unit for assistance under the homeownership option because of information in the inspection report.

(c) *Contract of sale.* (1) Before commencement of monthly homeownership assistance payments or receipt of a downpayment assistance grant, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give the PHA a copy of the contract of sale (see also § 982.627(a)(7)).

(2) The contract of sale must:

(i) Specify the price and other terms of sale by the seller to the purchaser.

(ii) Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser.

(iii) Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser.

(iv) Provide that the purchaser is not obligated to pay for any necessary repairs.

(3) In addition to the requirements contained in paragraph (c)(2) of this section, a contract for the sale of units not yet under construction at the time the family is to enter into the contract for sale must also provide that:

(i) The purchaser is not obligated to purchase the unit unless an environmental review has been performed and the site has received environmental approval prior to commencement of construction in accordance with 24 CFR 982.628.

(ii) The construction will not commence until the environmental review has been completed and the seller has received written notice from the PHA that environmental approval has been obtained. Conduct of the environmental review may not necessarily result in environmental approval, and environmental approval may be conditioned on the contracting parties' agreement to modifications to the unit design or to mitigation actions.

(iii) Commencement of construction in violation of paragraph (c)(3)(ii) of this section voids the purchase contract and renders homeownership assistance under 24 CFR part 982 unavailable for purchase of the unit.

(d) *PHA disapproval of seller.* In its administrative discretion, the PHA may deny approval of a seller for any reason provided for disapproval of an owner in §982.306(c).

[65 FR 55163, Sept. 12, 2000, as amended at 67 FR 64494, Oct. 18, 2002; 72 FR 59938, Oct. 22, 2007; 72 FR 73497, Dec. 27, 2007; 80 FR 8247, Feb. 17, 2015]

§ 982.632 Homeownership option: Financing purchase of home; affordability of purchase.

(a) The PHA may establish requirements for financing purchase of a home to be assisted under the homeownership option. Such PHA requirements may include requirements concerning qualification of lenders (for example, prohibition of seller financing or case-by-case approval of seller financing), or concerning terms of financing (for example, a prohibition of balloon payment mortgages, establishment of a minimum homeowner equity requirement from personal resources, or provisions required to protect borrowers against high cost loans or predatory loans). A PHA may not require that families acquire financing from one or more specified lenders, thereby restricting the family's ability to secure favorable financing terms.

(b) If the purchase of the home is financed with FHA mortgage insurance, such financing is subject to FHA mortgage insurance requirements.

(c) The PHA may establish requirements or other restrictions concerning debt secured by the home.

(d) The PHA may review lender qualifications and the loan terms before authorizing homeownership assistance. The PHA may disapprove proposed financing, refinancing or other debt if the PHA determines that the debt is unaffordable, or if the PHA determines that the lender or the loan terms do not meet PHA qualifications. In making this determination, the PHA may take into account other family expenses, such as child care, unreimbursed medical expenses, homeownership expenses, and other family expenses as determined by the PHA.

(e) All PHA financing or affordability requirements must be described in the PHA administrative plan.

[65 FR 55163, Sept. 12, 2000, as amended at 66 FR 33613, June 22, 2001]

§ 982.633 Homeownership option: Continued assistance requirements; Family obligations.

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

(b) *Family obligations.* The family must comply with the following obligations.

(1) *Ongoing counseling.* To the extent required by the PHA, the family must attend and complete ongoing homeownership and housing counseling.

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

(3) *Prohibition against conveyance or transfer of home.* (i) So long as the family is receiving homeownership assistance, use and occupancy of the home is subject to §982.551(h) and (i).

(ii) The family may grant a mortgage on the home for debt incurred to finance purchase of the home or any refinancing of such debt.

(iii) Upon 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, homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of title by operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members in accordance with § 982.551(h).

(4) *Supplying required information.* (i) The family must supply required information to the PHA in accordance with § 982.551(b).

(ii) In addition to other required information, the family must supply any information as required by the PHA or HUD concerning:

(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; or

(C) The family's homeownership expenses.

(5) *Notice of move-out.* The family must notify the PHA before the family moves out of the home.

(6) *Notice of mortgage default.* The family must notify the PHA if the family defaults on a mortgage securing any debt incurred to purchase the home.

(7) *Prohibition on ownership interest on second residence.* During the time the family receives homeownership assistance under this subpart, no family member may have any ownership interest in any other residential property.

(8) *Additional PHA requirements.* The PHA may establish additional requirements for continuation of homeownership assistance for the family (for example, a requirement for post-purchase homeownership counseling or for periodic unit inspections while the family is receiving homeownership assistance). The family must comply with any such requirements.

(9) *Other family obligations.* The family must comply with the obligations of a participant family described in § 982.551. However, the following provisions do not apply to assistance under the homeownership option: § 982.551(c), (d), (e), (f), (g) and (j).

(c) *Statement of homeowner obligations.* Before commencement of homeownership assistance, the family must execute a statement of family obligations in the form prescribed by HUD. In the statement, the family agrees to comply with all family obligations under the homeownership option.

§ 982.634 Homeownership option: Maximum term of homeownership assistance.

(a) *Maximum term of assistance.* Except in the case of a family that qualifies as an elderly or disabled family (see paragraph (c) of this section), the family members described in paragraph (b) of this section shall not receive homeownership assistance for more than:

(1) Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or

(2) Ten years, in all other cases.

(b) *Applicability of maximum term.* The maximum term described in paragraph (a) of this section applies to any member of the family who:

(1) Has an ownership interest in the unit during the time that homeownership payments are made; or

(2) Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.

(c) *Exception for elderly and disabled families.* (1) As noted in paragraph (a) of this section, the maximum term of assistance does not apply to elderly and disabled families.

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

(3) If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable

from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance in accordance with this part).

(d) *Assistance for different homes or PHAs.* If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in paragraph (a) of this section.

§982.635 Homeownership option: Amount and distribution of monthly homeownership assistance payment.

(a) *Amount of monthly homeownership assistance payment.* While the family is residing in the home, the PHA shall pay a monthly homeownership assistance payment on behalf of the family that is equal to the *lower of:*

(1) The payment standard minus the total tenant payment; or

(2) The family's monthly homeownership expenses minus the total tenant payment.

(b) *Payment standard for family.* (1) The payment standard for a family is the lower of:

(i) The payment standard for the family unit size; or

(ii) The payment standard for the size of the home.

(2) If the home is located in an exception payment standard area, the PHA must use the appropriate payment standard for the exception payment standard area.

(3) The payment standard for a family is the greater of:

(i) The payment standard (as determined in accordance with paragraphs (b)(1) and (b)(2) of this section) at the commencement of homeownership assistance for occupancy of the home; or

(ii) The payment standard (as determined in accordance with paragraphs (b)(1) and (b)(2) of this section) at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.

(4) The PHA must use the same payment standard schedule, payment standard amounts, and subsidy standards pursuant to §§982.402 and 982.503 for the homeownership option as for the rental voucher program.

(c) *Determination of homeownership expenses.* (1) The PHA shall adopt policies for determining the amount of homeownership expenses to be allowed by the PHA in accordance with HUD requirements.

(2) Homeownership expenses for a homeowner (other than a cooperative member) may only include amounts allowed by the PHA to cover:

(i) Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;

(ii) Real estate taxes and public assessments on the home;

(iii) Home insurance;

(iv) The PHA allowance for maintenance expenses;

(v) The PHA allowance for costs of major repairs and replacements;

(vi) The PHA utility allowance for the home;

(vii) Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person, in accordance with part 8 of this title; and

(viii) Land lease payments (where a family does not own fee title to the real property on which the home is located; see §982.628(b)).

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

(i) The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;

(ii) Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;

(iii) Home insurance;

(iv) The PHA allowance for maintenance expenses;

(v) The PHA allowance for costs of major repairs and replacements;

(vi) The PHA utility allowance for the home; and

(vii) Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person, in accordance with part 8 of this title.

(4) If the home is a cooperative or condominium unit, homeownership expenses may also include cooperative or condominium operating charges or maintenance fees assessed by the condominium or cooperative homeowner association.

(d) *Payment to lender or family.* The PHA must pay homeownership assistance payments either:

(1) Directly to the family or;

(2) At the discretion of the PHA, to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, the PHA must pay the excess directly to the family.

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

[65 FR 55163, Sept. 12, 2000, as amended at 67 FR 64494, Oct. 18, 2002]

§ 982.636 Homeownership option: Portability.

(a) *General.* A family may qualify to move outside the initial PHA jurisdiction with continued homeownership assistance under the voucher program in accordance with this section.

(b) *Portability of homeownership assistance.* Subject to § 982.353(b) and (c), § 982.552, and § 982.553, a family determined eligible for homeownership assistance by the initial PHA may purchase a unit outside of the initial PHA's jurisdiction, if the receiving PHA is administering a voucher homeownership program and is accepting new homeownership families.

(c) *Applicability of Housing Choice Voucher program portability procedures.* In general, the portability procedures described in §§ 982.353 and 982.355 apply to the homeownership option and the administrative responsibilities of the initial and receiving PHA are not altered except that some administrative functions (e.g., issuance of a voucher or execution of a tenancy addendum) do not apply to the homeownership option.

(d) *Family and PHA responsibilities.* The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving PHA must promptly notify the initial PHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the PHA.

(e) *Continued assistance under § 982.637.* Such continued assistance under portability procedures is subject to § 982.637.

[65 FR 55163, Sept. 12, 2000, as amended at 80 FR 8247, Feb. 17, 2015]

§ 982.637 Homeownership option: Move with continued tenant-based assistance.

(a) *Move to new unit.* (1) A family receiving homeownership assistance may move to a new unit with continued tenant-based assistance in accordance with this section. The family may move either with voucher rental assistance (in accordance with rental assistance program requirements) or with voucher homeownership assistance (in accordance with homeownership option program requirements).

(2) The PHA may not commence continued tenant-based assistance for occupancy of the new unit so long as any

family member owns any title or other interest in the prior home. However, when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), and the move is needed to protect the health or safety of the family or family member (or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move), such family or family member may be assisted with continued tenant-based assistance even if such family or family member owns any title or other interest in the prior home.

(3) The PHA may establish policies that prohibit more than one move by the family during any one-year period. However, these policies do not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L, and the move is needed to protect the health or safety of the family or family member, or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move.

(b) *Requirements for continuation of homeownership assistance.* The PHA must determine that all initial requirements listed in § 982.626 (including the environmental requirements with respect to a unit not yet under construction) have been satisfied if a family that has received homeownership assistance wants to move to such a unit with continued homeownership assistance. However, the following requirements do not apply:

(1) The requirement for pre-assistance counseling (§ 982.630) is not applicable. However, the PHA may require that the family complete additional counseling (before or after moving to a new unit with continued assistance under the homeownership option).

(2) The requirement that a family must be a first-time homeowner (§ 982.627) is not applicable.

(c) *When PHA may deny permission to move with continued assistance.* The PHA may deny permission to move to a new unit with continued voucher assistance as follows:

(1) *Lack of funding to provide continued assistance.* The PHA may deny permission to move with continued rental or homeownership assistance if the PHA determines that it does not have sufficient funding to provide continued assistance. The PHA must provide written notification to the local HUD Office within 10 business days of determining it is necessary to deny moves based on insufficient funding.

(2) *Termination or denial of assistance under § 982.638.* At any time, the PHA may deny permission to move with continued rental or homeownership assistance in accordance with § 982.638.

[63 FR 23865, Apr. 30, 1998, as amended at 72 FR 59938, Oct. 22, 2007; 80 FR 50575, Aug. 20, 2015; 81 FR 80817, Nov. 16, 2016]

§ 982.638 Homeownership option: Denial or termination of assistance for family.

(a) *General.* The PHA shall terminate homeownership assistance for the family, and shall deny voucher rental assistance for the family, in accordance with this section.

(b) *Denial or termination of assistance under basic voucher program.* At any time, the PHA may deny or terminate homeownership assistance in accordance with § 982.552 (Grounds for denial or termination of assistance) or § 982.553 (Crime by family members).

(c) *Failure to comply with family obligations.* The PHA may deny or terminate assistance for violation of participant obligations described in § 982.551 or § 982.633.

(d) *Mortgage default.* The PHA must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA-insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt. The PHA, in its discretion, may permit the family to move to a new unit with continued voucher rental assistance. However, the PHA must deny such permission, if:

(1) The family defaulted on an FHA-insured mortgage; and

(2) The family fails to demonstrate that:

(i) The family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and

(ii) The family has moved, or will move, from the home within the period established or approved by HUD.

[65 FR 55163, Sept. 12, 2000, as amended at 66 FR 33613, June 22, 2001]

§ 982.639 Homeownership option: Administrative fees.

The ongoing administrative fee described in § 982.152(b) is paid to the PHA for each month that homeownership assistance is paid by the PHA on behalf of the family.

§ 982.641 Homeownership option: Applicability of other requirements.

(a) *General.* The following types of provisions (located in other subparts of this part) do not apply to assistance under the homeownership option:

(1) Any provisions concerning the Section 8 owner or the HAP contract between the PHA and owner;

(2) Any provisions concerning the assisted tenancy or the lease between the family and the owner;

(3) Any provisions concerning PHA approval of the assisted tenancy;

(4) Any provisions concerning rent to owner or reasonable rent; and

(5) Any provisions concerning the issuance or term of voucher.

(b) *Subpart G requirements.* The following provisions of subpart G of this part do not apply to assistance under the homeownership option:

(1) Section 982.302 (Issuance of voucher; Requesting PHA approval of assisted tenancy);

(2) Section 982.303 (Term of voucher);

(3) Section 982.305 (PHA approval of assisted tenancy);

(4) Section 982.306 (PHA disapproval of owner) (except that a PHA may disapprove a seller for any reason described in paragraph (c), see § 982.631(d)).

(5) Section 982.307 (Tenant screening);

(6) Section 982.308 (Lease and tenancy);

(7) Section 982.309 (Term of assisted tenancy);

(8) Section 982.310 (Owner termination of tenancy);

(9) Section 982.311 (When assistance is paid) (except that § 982.311(c)(3) is applicable to assistance under the homeownership option);

(10) Section 982.313 (Security deposit: Amounts owed by tenant); and

(11) Section 982.354 (Move with continued tenant-based assistance).

(c) *Subpart H requirements.* The following provisions of subpart H of this part do not apply to assistance under the homeownership option:

(1) Section 982.352(a)(6) (Prohibition of owner-occupied assisted unit);

(2) Section 982.352(b) (PHA-owned housing); and

(3) Those provisions of § 982.353 (Where family can lease a unit with tenant-based assistance) and § 982.355 (Portability: Administration by receiving PHA) that are inapplicable per § 982.636;

(d) *Subpart I requirements.* The following provisions of subpart I of this part do not apply to assistance under the homeownership option:

(1) Section 982.403 (Terminating HAP contract when unit is too small);

(2) Section 982.404 (Maintenance: Owner and family responsibility; PHA remedies); and

(3) Section 982.405 (PHA initial and periodic unit inspection).

(e) *Subpart J requirements.* The requirements of subpart J of this part (Housing Assistance Payments Contract and Owner Responsibility) (§§ 982.451–456) do not apply to assistance under the homeownership option.

(f) *Subpart K requirements.* Except for those sections listed below, the requirements of subpart K of this part (Rent and Housing Assistance Payment) (§§ 982.501–521) do not apply to assistance under the homeownership option:

(1) Section 982.503 (Voucher tenancy: Payment standard amount and schedule);

(2) Section 982.516 (Family income and composition: Regular and interim reexaminations); and

(3) Section 982.517 (Utility allowance schedule).

(g) *Subpart L requirements.* The following provisions of subpart L of this part do not apply to assistance under the homeownership option:

(1) Section 982.551(c) (HQS breach caused by family);

(2) Section 982.551(d) (Allowing PHA inspection);

(3) Section 982.551(e) (Violation of lease);

(4) Section 982.551(g) (Owner eviction notice); and

(5) Section 982.551(j) (Interest in unit).

(h) *Subpart M requirements.* The following provisions of subpart M of this part do not apply to assistance under the homeownership option:

(1) Sections 982.602–982.619; and

(2) Sections 982.622–982.624.

[65 FR 55163, Sept. 12, 2000, as amended at 67 FR 64494, Oct. 18, 2002; 80 FR 8247, Feb. 17, 2015; 80 FR 50575, Aug. 20, 2015]

§ 982.642 Homeownership option: Pilot program for homeownership assistance for disabled families.

(a) *General.* This section implements the pilot program authorized by section 302 of the American Homeownership and Economic Opportunity Act of 2000. Under the pilot program, a PHA may provide homeownership assistance to a disabled family residing in a home purchased and owned by one or more members of the family. A PHA that administers tenant-based assistance has the choice whether to offer homeownership assistance under the pilot program (whether or not the PHA has also decided to offer the homeownership option).

(b) *Applicability of homeownership option requirements.* Except as provided in this section, all of the regulations applicable to the homeownership option (as described in §§ 982.625 through 982.641) are also applicable to the pilot program.

(c) *Initial eligibility requirements.* Before commencing homeownership assistance under the pilot program for a family, the PHA must determine that all of the following initial requirements have been satisfied:

(1) The family is a disabled family (as defined in § 5.403 of this title);

(2) The family annual income does not exceed 99 percent of the median income for the area;

(3) The family is not a current homeowner;

(4) The family must close on the purchase of the home during the period starting on July 23, 2001 and ending on July 23, 2004; and

(5) The family meets the initial requirements described in § 982.626; however, the following initial requirements do not apply to a family seeking to participate in the pilot program:

(i) The income eligibility requirements of § 982.201(b)(1);

(ii) The first-time homeowner requirements of § 982.627(b); and

(iii) The mortgage default requirements of § 982.627(e), if the PHA determines that the default is due to catastrophic medical reasons or due to the impact of a federally declared major disaster or emergency.

(d) *Amount and distribution of homeownership assistance payments.* (1) While the family is residing in the home, the PHA shall calculate a monthly homeownership assistance payment on behalf of the family in accordance with § 982.635 and this section.

(2) A family that is a low income family (as defined at 24 CFR 5.603(b)) as determined by HUD shall receive the full amount of the monthly homeownership assistance payment calculated under § 982.635.

(3) A family whose annual income is greater than the low income family ceiling but does not exceed 89 percent of the median income for the area as determined by HUD shall receive a monthly homeownership assistance payment equal to 66 percent of the amount calculated under § 982.635.

(4) A family whose annual income is greater than the 89 percent ceiling but does not exceed 99 percent of the median income for the area as determined by HUD shall receive a monthly homeownership assistance payment equal to 33 percent of the amount calculated under § 982.635.

(5) A family whose annual income is greater than 99 percent of the median income for the area shall not receive homeownership assistance under the pilot program.

(e) *Assistance payments to lender.* The PHA must make homeownership assistance payments to a lender on behalf of the disabled family. If the assistance payment exceeds the amount due to the lender, the PHA must pay the excess directly to the family. The provisions of § 982.635(d), which permit the PHA to make monthly homeownership assistance payments directly to the family, do not apply to the pilot program.

(f) *Mortgage defaults.* The requirements of § 982.638(d) regarding mortgage defaults are applicable to the pilot program. However, notwithstanding § 982.638(d), the PHA may, in its discretion, permit a family that has defaulted on its mortgage to move to a new unit with continued voucher homeownership assistance if the PHA determines that the default is due to catastrophic medical reasons or due to the impact of a federally declared major disaster or emergency. The requirements of §§ 982.627(a)(5) and 982.627(e) do not apply to such a family.

[66 FR 33613, June 22, 2001]

§ 982.643 Homeownership option: Downpayment assistance grants.

(a) *General.* (1) A PHA may provide a single downpayment assistance grant for a participant that has received tenant-based or project-based rental assistance in the Housing Choice Voucher Program.

(2) The downpayment assistance grant must be applied toward the downpayment required in connection with the purchase of the home and/or reasonable and customary closing costs in connection with the purchase of the home.

(3) If the PHA permits the downpayment grant to be applied to closing costs, the PHA must define what fees and charges constitute reasonable and customary closing costs. However, if the purchase of a home is financed with FHA mortgage insurance, such financing is subject to FHA mortgage insurance requirements, including any requirements concerning closing costs (see § 982.632(b) of this part regarding the applicability of FHA requirements to voucher homeownership assistance and § 203.27 of this title regarding allowable fees, charges and discounts for FHA-insured mortgages).

(b) *Maximum downpayment grant.* A downpayment assistance grant may not exceed twelve times the difference between the payment standard and the total tenant payment.

(c) *Payment of downpayment grant.* The downpayment assistance grant shall be paid at the closing of the family's purchase of the home.

(d) *Administrative fee.* For each downpayment assistance grant made by the PHA, HUD will pay the PHA a one-time administrative fee in accordance with § 982.152(a)(1)(iii).

(e) *Return to tenant-based assistance.* A family that has received a downpayment assistance grant may apply for and receive tenant-based rental assistance, in accordance with program requirements and PHA policies. However, the PHA may not commence tenant-based rental assistance for occupancy of the new unit so long as any member of the family owns any title or other interest in the home purchased with homeownership assistance. Further, eighteen months must have passed since the family's receipt of the downpayment assistance grant.

(f) *Implementation of downpayment assistance grants.* A PHA may not offer downpayment assistance under this paragraph until HUD publishes a notice in the FEDERAL REGISTER.

[67 FR 64494, Oct. 18, 2002]

PART 983—PROJECT-BASED VOUCHER (PBV) PROGRAM

Subpart A—General

Sec.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Special Attention:

Public Housing Agencies administering the Housing Choice Voucher and/or Public Housing Programs; Public Housing Field Office Directors

NOTICE PIH 2013-15 (HA)

Issued: June 10, 2013

Expires: Effective until amended superseded, or rescinded
Cross References:
PIH Notice 2012-34 (HA)

Subject: Guidance on housing individuals and families experiencing homelessness through the Public Housing and Housing Choice Voucher programs[1]

1. **Applicability:** This Notice applies to public housing agencies (PHAs) that administer the Public Housing and/or Housing Choice Voucher (HCV) programs.

2. **Purpose:** The purpose of this Notice is to provide strategies that PHAs can pursue to expand housing opportunities for individuals and families experiencing homelessness through the Public Housing and HCV programs. This Notice clarifies the definition of homelessness for the purpose of IMS/PIC reporting, and provides guidance on HUD policies and program regulations related to the following topics: waiting list management and preferences; admissions policies regarding criminal activity, substance use/abuse, and rental history; program termination and eviction policies; and project-basing vouchers for Permanent Supportive Housing (PSH).

3. **Background:** On June 22, 2010, the United States Interagency Council on Homelessness (USICH) presented the nation's first comprehensive strategy to prevent and end homelessness titled, *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* (Opening Doors), to the Office of the President and Congress. Opening Doors is focused on four key goals:
    a. Finish the job of ending chronic homelessness by 2015;
    b. Prevent and end homelessness among Veterans by 2015;
    c. Prevent and end homelessness for families, youth, and children by 2020; and
    d. Set a path to ending all types of homelessness.

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[1] Throughout this Notice, when referring to people experiencing homelessness, the term 'individuals and families' is used to indicate both individual persons who are experiencing homelessness, as well as homeless families, which may include children. When referring to HCV or Public Housing applicants or participants, the following terms are used intentionally based on their definition and the relevant statute, regulation or rule being referenced: 1. Family – A person or group of persons with or without children approved by a PHA to reside in a unit with assistance under the HCV or Public Housing program. The number of family members is used to calculate subsidies and payments. 2. Household – includes everyone who lives in the unit, including foster children/adults and live-in aides. Household members are used to determine unit size.

The Office of Public and Indian Housing (PIH) is committed to working with our PHA partners to expand opportunities for individuals and families to access quality affordable rental homes, thereby achieving HUD's goal of utilizing housing as a platform for improving quality of life. PIH, in cooperation with the Office of Community Planning and Development (CPD) and USICH hosted two national convenings of PHAs and Continuums of Care (CoCs) titled, *Opening Doors: Expanding PHA Opportunities to House People Experiencing Homelessness*, one in Los Angeles on February 8, 2012, and the other in Washington, DC on May 24, 2012. These convenings allowed participants to: share best practices; identify barriers that PHAs encounter in meeting the needs of this population; and allow PHAs and Continuums of Care to provide feedback and ask questions of HUD.

This Notice builds on the lessons learned from the two convenings and seeks to provide guidance on issues related to serving individuals and families experiencing homelessness.

4. **Reporting Homelessness in IMS/PIC:** The HUD Form 50058 module in the IMS/PIC data system allows HUD to obtain information about participants in the Public Housing and HCV programs, including the homeless status of persons entering the program. The accuracy and reliability of this information is critical to tracking the collective progress in ending homelessness.

   Based on a review of PIC reporting on 4C (homeless at admission), many PHAs are not reporting in this field accurately, or are reporting "no" for all applicants, whether homeless or not. For all new admissions, PHAs **must** determine whether an individual or family was homeless at admissions. This information **must** be reported at question 4C on HUD Form 50058. PHAs may need to verify that their IMS/PIC software is compliant with this reporting requirement. The following section provides guidance on how to determine whether an applicant is homeless at the time of admission, including questions that a PHA may ask an applicant in order to determine their homelessness status. For additional information on the Form 50058, please see the Form HUD 50058 Instruction Booklet at http://portal.hud.gov/hudportal/documents/huddoc?id=50058i.pdf

5. **Definition of Homeless for the Purpose of Completing Question 4C on Form 50058:** The definition of a homeless family currently provided in the Appendix of the Form HUD 50058 Instruction Booklet reflects the original McKinney-Vento Homeless Assistance Act definition. The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) revised the definition of homeless for HUD's homeless assistance programs, and on December 5, 2011, HUD published its final rule implementing this definition. This rule applies specifically to the Emergency Solutions Grants program, the Shelter Plus Care program, the Supportive Housing program and was incorporated into the Continuum of Care (CoC) Program interim rule, which HUD published on July 31, 2012; however, PIH is adopting only a portion of this new definition to apply to question 4C of the Form 50058 as well. While the HUD regulations maintain four categories for defining people who are homeless, the PIH definition for IMS-PIC reporting (Form 50058) is narrowed to the following two categories:

   Category 1: An individual or family who ***lacks a fixed, regular, and adequate nighttime residence***, meaning:

   a. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; ***or***

b. An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low- income individuals); ***or***

c. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

Category 4: Any individual or family who:

i. Is ***fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking***, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; ***and***

ii. Has no other residence; ***and***

iii. Lacks the resources or support networks, e.g., family, friends, and faith- based or other social networks, to obtain other permanent housing

This definition shall be effective as of this Notice, and the Form HUD 50058 Instruction Booklet will be updated accordingly. **Note:** A PHA is permitted to adopt an alternative or narrower definition of homeless for the purpose of a waiting list preference based on local need. PHA's that do this, however, will still be required to use the definition cited above for purposes of reporting homeless of new admissions on the Form HUD 50058.

In order for PHAs to accurately report a new admission's homelessness status on line 4c of the Form HUD 50058, the PHA may find the following list of questions helpful in determining the appropriate response. If the answer to any of the following questions is yes, the PHA would mark "Y" for yes in field 4C of the Form HUD 50058 (homeless at admission).

1. Are you currently living in a car, on the street, or another place not meant for human habitation?
2. Are you currently living in a an emergency shelter, transitional housing, Safe Haven[2], or a hotel/motel paid for by a charitable organization or by federal, state or local government programs for low-income individuals?
3. Are you exiting an institution, including a hospital, substance abuse or mental health treatment facility, or jail/prison, where you stayed for 90 days or less?If so, were you living in an emergency shelter or place not meant for human habitation immediately before entering that institution?
4. Are you fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life threatening conditions for you or a family member, including a child, that has either taken place within your family's primary nighttime residence or has made the you afraid to return to your primary nighttime residence? If yes, do you currently have nowhere else to live and also lack the resources or support networks,

[2] A Safe Haven is a form of supportive housing that serves hard-to-reach homeless persons with severe mental illness who are on the street and have been unable or unwilling to participate in housing or supportive services

including family, friends, faith-based, or other social networks, to obtain other permanent housing?

Example 1: A family that was evicted from the home they owned because they were no longer able to make the mortgage payments and is living in their car **would** qualify as homeless.

Example 2: An individual that had previously lived in an emergency shelter and was admitted to the hospital for a 5-day stay **would** qualify as homeless.

Example 3: An individual being released from prison after a 3-year incarceration **would not** qualify as homeless based on the length of incarceration.

HUD does **not** require PHAs to collect documentation or third-party verification of any kind in order to verify an applicant's homelessness status for purposes of reporting in 4C of the 50058. Verbal self-verification by the applicant that any of the above criteria are true is sufficient. However, in order to verify homelessness status for a preference, PHAs must follow the verification requirements they establish in their written policies.

6. **Waiting List Management:** PHAs' waiting lists can be a barrier to individuals and families experiencing homelessness having access to the Public Housing and HCV programs. When waiting lists are long, an individual or family who lacks stable housing and reliable contact information may not be able to be reached when they come to the top of the waiting list or when waiting lists are purged, especially if it has been months or years after the application was submitted. Also, when PHAs reopen waiting lists for short periods of time, people experiencing homelessness can be left out of the application process due to a lack of information about the opportunity to apply.

   PHAs can take a variety of actions to allow homeless populations better access to their programs, including establishing a strong outreach strategy through service providers, strengthening their process for contacting applicants on their waiting list (e.g., contacting applicants via email or phone), establishing flexible intake and briefing schedules (e.g., provide a window of time for appointments), and establishing nondiscriminatory preferences in their admissions policies for persons experiencing homelessness, or a subset of such persons (e.g., chronically homeless, homeless veterans, homeless identified as most vulnerable through community-based assessment strategies, etc.). All actions taken must be in compliance with all applicable fair housing and civil rights laws. See 24 CFR 5.105(a).

7. **Homeless Admissions Preference:** A PHA's greatest tool for increasing program access for individuals and families experiencing homelessness is establishing a preference in their admissions policies. This section describes the criteria that may be considered when setting preferences based on local housing needs and priorities, as well as the process for establishing preferences.

   a) Assessing local housing needs. A PHA's system of local preferences must be based on local housing needs and priorities by using generally accepted data sources and information obtained through the PHA Plan public comment process[3]. HUD encourages PHAs to work collaboratively with health care providers, social service providers,

[3] 24 CFR 960.206(a)(1) for Public Housing and 24 CFR 982.207 (a)(2) for the HCV program.

homeless services providers, Continuums of Care (CoCs), and local offices of government and community organizations to establish a system of preferences based on local housing needs collectively identified by the community. HUD recommends that a PHA's local housing needs assessment specifically include people experiencing homelessness. For example, PHAs may look to their Community Plan to End Homelessness, Consolidated Plans, HIV/AIDs Housing Plan (if available) and/or data from their jurisdiction's Continuum of Care (CoC) Homeless Management Information Systems (HMIS) and Point in Time (PIT) Counts to identify whether and to what extent there is need for a homeless preference.

b) Applying and limiting preferences. PHAs may apply preferences for admission to the HCV, Project-based Voucher (PBV), and/or Public Housing programs, or to a particular public housing or project-based voucher development (or set number of units within a development). PHAs may limit the number of applicants that may qualify for a particular preference. PHAs must incorporate such a preference into their HCV program Administrative Plan and/or their Public Housing program Admission and Continued Occupancy Policy (ACOP). If adopting the preference constitutes a significant amendment to the PHA Plan as defined by the PHA, the PHA must comply with the amendment provisions of 24 CFR 903.21, including soliciting public comment and consulting with the resident advisory board.

c) Opening waiting lists and public notice. All recipients of public housing or HCV assistance must be selected from the PHA's waiting list(s). If a PHA does not have enough applicants on its waiting list who qualify for a preference, the PHA may open its waiting list strictly to people to whom the preference applies. When opening a waiting list, PHAs must give public notice. See Section 12 for more information on opening separate waiting lists for project-based voucher units.

Any public notice announcing a waiting list opening and application procedure should be simple, direct, and clear but with sufficient detail to inform applicants of the processes through which they can apply, any limitations on who may apply, and any other information the applicant may need to successfully submit the application. The notification process, as well as the preferences themselves, must also comply with HUD fair housing requirements, such as adopting suitable means to assure that the notice reaches eligible individuals with disabilities and those with limited-English proficiency. HCV program regulations require the public notice to appear in a local newspaper of general circulation, minority media, and other suitable means (24 CFR 982.206).These practices are strongly encouraged in the Public Housing program.

When trying to reach people experiencing homelessness to apply to the program(s), PHAs could consider reaching out to shelters, homeless service providers, agencies that work closely with people experiencing homelessness and homeless consumer advocacy groups to assist with advertising the opening of the waiting list, to seek referrals, and/or to provide assistance with application processes. The CoC Program interim rule requires Continuums of Care to establish and operate a centralized or coordinated assessment system that provides an initial, comprehensive assessment of the needs of individuals and families for housing and services with the intention of matching the homeless individual or family with the most appropriate resources. PHAs are strongly encouraged to participate in the coordinated assessment system that covers the PHA's geographic location in order to establish a means for referrals once the coordinated assessment has been established.

Once an adequate number of persons experiencing homelessness meeting the preference have been placed on the waiting list, the PHA may choose to close the waiting list. A PHA may leave the waiting list open only for the population qualified for the preference (i.e., continue to accept applications only from applicants that qualify for the preference) , while keeping it closed for all other applicants. HUD recommends the PHAs maintain up-to-date information on the PHA's website as to whether the waiting list is open or closed, who may currently apply for assistance, and specific information regarding the application process.

d) Identifying preference-qualified applicants currently on the waiting list. When adopting a new preference in the Public Housing program, PHAs must offer the opportunity for current applicants on the waiting list who qualify for the preference to receive the benefit of the preference and move up on the waiting list accordingly. This practice is strongly encouraged in the HCV program. The PHA should specify on any public notice of a waiting list opening that current waiting list applicants will also be given the benefit of the preference. The notice should also include any other information new applicants and current applicants on the waiting list will need to know about how to successfully apply and establish their preference status, including any partnering agencies with whom the PHA may be working to receive referrals or determine preference eligibility. PHAs and partnering referral agencies may consider sharing waiting list data in order to cross-check for eligible applicants, if allowed under applicable program requirements and privacy laws.

e) Limiting preferences to people referred by a partnering organization. PHAs may create a preference or limited preference specifically for people who are referred by a partnering homeless service organization or consortia of organizations (for example, an organization that refers people transitioning out of a shelter, transitional housing program, or rapid re-housing program). The PHA may not limit the source of referrals to an agency, organization, or consortia that denies its services to members of any Federally protected class under fair housing laws, *i.e.*, race, color, religion, national origin, sex, disability, or familial status. See section 12 of this Notice for information on preferences in the PBV program.

A PHA may also have a preference for individuals and families transitioning, or "moving up," from Permanent Supportive Housing (PSH) units. These are persons that were previously homeless prior to entry into the PSH program but who no longer need that level of supportive services. While these persons would not be considered homeless for reporting purposes on the Form HUD 50058, creating such a "move up" preference will contribute significantly to the community's overall efforts to end homelessness by freeing up units for currently homeless families and individuals with disabilities who need housing combined with services.

Example of a homeless limited preference process: A PHA limits the number of families that qualify for a homeless preference to 100 families. The PHA administrative plan/ACOP clearly states the criteria to qualify for the preference, including any partnering service agencies from whom the PHA will be taking referrals, and whether the preference is restricted to those referrals. The PHA opens the waiting list and provides public notice, but restricts who can apply to those that meet the preference criteria. Once the PHA is serving 100 families under the preference, and one family leaves the program, the next family on the waiting list who meets the preference criteria will be served. If there is no one on the waiting list that meets the preference criteria, the PHA would issue the voucher to the next family on the waiting list. The PHA reaches out to local partners for referrals, and the waiting list is kept open (or re-opened for applicants that qualify for the preference) in order to accept these new referrals. If the PHA has not limited the preference to only people referred by certain organizations or agencies, then the PHA also accepts applications from anyone who self-identifies as qualified to meet the preference criteria.

f) Verifying preference eligibility. If a PHA adopts a preference or limited preference for people experiencing homelessness, or for a particular subset of this population, the PHA may require the individual or family to provide documentation to prove that they qualify for the preference, or may rely on a partnering homeless service organization (for example, the Continuum of Care designated collaborative applicant) to verify that the individual or family qualifies for the preference. When a PHA establishes a partnership for referrals from a homeless service organization, they may allow the partnering organization to verify the individual's or family's preference qualification, before the individual or family is referred to the PHA.

g) Ensuring Fair Housing compliance. When adopting a preference or limited preference for people experiencing homelessness, and opening the waiting list only for families and individuals that qualify for the preference, a PHA must ensure that the preference would not have the purpose or effect of excluding other eligible families from the program on the basis of race, color, national origin, religion, sex, disability, or familial status, or would have the effect of creating, increasing, or perpetuating segregation. A PHA must ensure that the adoption of a homeless preference and the opening of the waiting list, including site-based waiting lists, only to homeless families and individuals that qualify for the preference is done in a manner that is consistent with all fair housing and civil rights laws and affirmatively furthers fair housing.

h) Residency preference. PHAs that have a residency preference as allowed under the regulations at 24 CFR 960.206(b) and 24 CFR 982.207(b) may include in their definition of the term, "residence," shelters and other dwelling places where homeless people may be living or sleeping. PHAs may also consider the circumstances leading to a family's current dwelling place when defining residency for homeless applicants. For example, in some communities, there may be a lack of suitable shelters in the community covered by the PHA's residency preference forcing the family or individual to seek shelter in another community. If an applicant family or individual is residing in a shelter located outside of the area covered by the PHA's residency preference, the PHA may establish policies considering the applicant's previous residency and circumstances. PHAs with a residency preference may need to change their definition of residency in their Administrative Plan and ACOP for the purpose of allowing such flexibility.
For additional guidance related to waiting list administration, please see Notice PIH 2012-34 *Waiting List Administration.*

8. **<u>Admissions Policies Regarding Criminal Activity, Substance Use/Abuse, and Rental History:</u>** Under federal laws and HUD regulations, there are certain policies for admission to a PHA's HCV or Public Housing program which are mandatory for all PHAs, and other policies which the PHAs have authority/discretion to adopt, but are not required.

   The following is a complete list of statutorily mandated prohibitions of admissions regarding criminal activity and substance use/abuse to the HCV and PH programs:

1. ***Lifetime sex offender registrant.*** A PHA **must** prohibit admission for any household that includes a person subject to a lifetime registration requirement under a State sex offender registration program.[4]

2. ***Methamphetamine production in federally assisted housing.*** A PHA **must** prohibit admission if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.[5]

3. ***Within 3 years of federally assisted housing eviction for drug-related crime.*** A PHA **must** prohibit admission for three years from date of eviction if a household member has been evicted from federally assisted housing for drug-related criminal activity (the PHA **may** admit if the PHA determines the member successfully completed a supervised drug rehabilitation program approved by the PHA, or the circumstances leading to the eviction no longer exist).[6]

4. ***Currently engaged in illegal drug use or threatening activity.*** A PHA **must** prohibit admission of households with a member who:
   a. The PHA determines is currently engaging in illegal use of a drug,[7] or
   b. The PHA determines that it has reasonable cause to believe that a household member's illegal drug use, pattern of illegal drug use, abuse of alcohol, or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.[8]

Where the HCV or public housing applicants' conduct or activities falls outside the scope of the statutorily mandated prohibitions, PHAs have wide discretion whether to admit or deny admissions to these individuals. Unfortunately, PHAs' discretionary admissions policies can sometimes be a barrier for vulnerable populations, including people who are homeless, to accessing the programs. For example, a PHA may have strict policies related to criminal backgrounds and previous rental housing history which can have the effect of screening out the most vulnerable people experiencing homelessness who are more likely to have past convictions, past evictions, or previous debts, due to a variety of reasons, including mental illness and substance use disorders.

In June 2011, Secretary Donovan wrote a letter to PHAs[9] across the country to encourage more flexible, reasonable admissions policies for people re-entering communities following incarceration. Incarceration and homelessness are highly interrelated as the difficulties in reintegrating into the community increase the risk of homelessness for released prisoners, and homelessness in turn increases the risk for subsequent re-incarceration. PHAs wishing to serve more people experiencing homelessness may consider amending their discretionary admissions policies regarding criminal activity and substance use/abuse to be more inclusive of vulnerable

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[4] 42 U.S.C § 13663 (a); 24 CFR 982.553(a)(2)(i) for HCV, and 960.204(a)(4) for public housing
[5] 42 U.S.C § 1437n (f)(1); 24 CFR 982.553(a)(1)(ii)(C) for HCV, and 960.204(a)(3) for public housing
[6] 42 U.S.C § 13661 (a); 24 CFR 982.553(a)(1)(i) for HCV, and 960.204(a)(1) for public housing
[7] 42 U.S.C § 13661 (b)(1); 24 CFR 982.553(a)(1)(ii)(A) for HCV, and 960.204(a)(2)(i) for public housing
[8] 42 U.S.C § 13661 (b)(1); 24 CFR 982.553(a)(1)(ii)(B) and 24 CFR 982.553(a)(3) for HCV; 960.204(a)(2)(ii) and 960.204(b) for public housing
[9] http://portal.hud.gov/hudportal/documents/huddoc?id=sohudreentryltr.pdf

populations who may have criminal backgrounds or histories of incarceration. PHAs are encouraged to establish strong partnerships with homeless service providers to ensure that those vulnerable individuals and families admitted to the program are provided the services necessary to remain stably housed and compliant with the family obligations and other requirements of the program.

A PHA wishing to serve more people experiencing homelessness may consider reviewing their discretionary admission policies to determine if any changes can be made to remove barriers. It is important to note that all discretionary admission (and program termination) policies must be applied to all applicants broadly. In other words, a PHA cannot have a certain set of admission/termination policies that apply specifically to a certain population, such as the homeless population, which are different than the admission/termination policies for all other applicants, unless there is express legal authority to do so (e.g. HUD-VASH program). Therefore, if a PHA is not comfortable or willing to revise its general discretionary policies, the PHA is strongly encouraged to consider relevant circumstances as described in Section 10 of this Notice.

9. **<u>Program Termination and Eviction Policies:</u>** Federal law and HUD regulations provide only limited instances where a PHA must terminate assistance or evict a family[10]. Outside of those limited instances, PHAs or owners may terminate program assistance or evict a family only for serious or repeated violations of material terms of the lease. Many of the policies for termination of assistance and eviction are in fact at the discretion of the PHA or owner. A PHA or owner's discretionary policies for termination of assistance and eviction for lease violations is an important consideration in the effort to prevent homelessness.

   HUD encourages PHAs to review their termination and eviction policies in light of their discretionary authority. HUD recommends that PHAs work with homeless service providers to establish discretionary termination and eviction policies best suited to the community and to develop partnerships that can implement effective eviction prevention strategies.

   Additionally, PHAs should be aware of protections for victims of domestic violence, dating violence, or stalking to ensure that they do not face eviction because of the lease violations of their abusers. 24 CFR 5.2005 (c) states that an incident of actual or threatened domestic violence, dating violence or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of the domestic violence, dating violence, or stalking, or as good cause to terminate the tenancy or, occupancy rights of, or assistance to the victim.

   As mentioned in Section 7 of this Notice, PHAs are encouraged to establish strong partnerships with healthcare, supportive services, and homeless service providers to make services available to vulnerable individuals and families admitted to the program. PHAs are also strongly encouraged to consider relevant circumstances when considering the termination or eviction of any family, as described in Section 10 of this Notice.

10. **<u>Consideration of Circumstances Regarding Admissions and Terminations/Evictions:</u>** As discussed in Section 7 of this notice, a PHA cannot establish separate admissions/termination

[10] 24 CFR 982.553(a)(2)(i), 24 CFR 982.553(b)(1)(ii) and 24 CFR.553(e) for HCV, and 24 CFR 960.204(a)(3) and 960.204(a)(4) for Public Housing

policies for a certain population, such as the homeless population, which are different from the admissions/termination policies for all other applicants, unless there is express legal authority to do so (e.g. HUD-VASH program). However, the public housing regulation at 24 C.F.R. 960.203(a) (Standards for PHA tenant selection criteria) and the HCV program regulation at 24 C.F.R. 982.552(c)(2) (Consideration of circumstances) imply that **individual consideration of factors** should be a basis for a PHA's decision to deny or terminate assistance. For example, in the HCV program, in determining whether to deny admission or terminate assistance because of an action of a family member that would normally screen the family out or cause the family to lose their assistance, under the PHA's policy, the following **may** be considered:

- All relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination of assistance on other family members who were not involved in the action.[11]

- The PHA **may** impose, as a condition of admittance or continued assistance for other family members, a requirement that family members who participated in or were culpable for the action will not reside in the unit. The PHA **may** permit the other members of a participant family to receive or continue receiving assistance.[12]

In public housing, in the event of receipt of unfavorable information about an applicant, consideration **must** be given to the time, nature, and extent of the applicant's conduct (including the seriousness of the offense). Consideration **may** be given to factors which might indicate a reasonable probability of favorable future conduct, including: evidence of rehabilitation, and applicant's willingness to participate in social services.[13]

For both the HCV and Public Housing program, in determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the PHA **may** consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully.[14]

For both the HCV and Public Housing program, if the family includes a person with disabilities, the PHA decision regarding denial of admission or termination of assistance is subject to reasonable accommodation requirements in accordance with Section 504 of the Rehabilitation Act of 1973, the Fair Housing Act, Title II of the Americans with Disabilities Act, and their implementing regulations at 24 CFR part 8, 24 CFR part 100, and 28 CFR part 35, respectively.

11. **Service Provider as a Resource in Continued Occupancy:** Service providers are important resources in ensuring housing stability, including compliance with program and family obligations and other program requirements, for homeless individuals and families newly admitted to the program.

[11] 24 CFR 982.552(c)(2)(i) for HCV
[12] 24 CFR 982.552(c)(2)(ii) for HCV, and 960.203(c)(3)(i) for public housing
[13] 24 CFR 960.203(d)
[14] 42 U.S.C § 13661 (b)(2); 24 CFR 982.552(c)(2)(iii)

PHAs may establish working relationships or consider service agreements with the service providers to provide greater access to services for tenants. The PHA may consider making available an empty office space or community space for the service provider to offer voluntary services to the residents.

12. **Project-Based Vouchers:** Under the HCV program, PHAs are allowed to project-base up to 20 percent of their budget authority. Project-based vouchers (PBVs) are a useful tool in the development of affordable housing, because the guaranteed rental income provided by the vouchers helps to finance project operating costs and secure capital investments. PBVs are also important in the development of projects that pair services for people who are formerly homeless with housing assistance. PHAs looking to increase the supply of affordable housing for people experiencing homelessness or other low-income families may consider project-basing. PHAs interested in working with a homeless service provider to develop housing for people experiencing homelessness may also consider project-basing for this purpose.

    PHAs must select applicants for PBV units from the waiting list in accordance with the policies in the PHA administrative plan. The PHA may use a separate waiting list for its PBV units, or for PBV units in individual projects or buildings, or for sets of such units. The PHA may also adopt a different set of admissions preferences for each separate waiting list. A PHA that wishes to partner with a homeless service provider to project-base vouchers may consider creating a separate waiting list for this project and adopting a preference for people who are homeless. PHAs may also adopt a preference for services offered for families with disabilities that need services at a particular project. However, such a preference is limited to those individuals and families with disabilities that significantly interfere with their ability to obtain and maintain themselves in housing; who without appropriate supportive services, will not be able to obtain or maintain themselves in housing; and for whom such services cannot be provided in a non-segregated setting. See 24 CFR 983.251(d).

    If a PHA opens a site-based waiting list for PBV units, all new applicants and families or individuals currently on the PHA's tenant-based waiting list must be provided with the option to have their names placed on this list as well. As described in Notice PIH 2011-54, *Guidance on the Project-Based Voucher Program*, PHAs do not have to notify each family on the tenant-based waiting list by individual notice. A PHA could notify these applicants by the same means it would use in opening its waiting list under 24 CFR 982.206(a), including advertising through local and minority newspapers and the internet, posting at local post offices, libraries, and community center, and outreach to social service organizations, such as homeless shelters.

    Normally, PHAs may not provide project-based assistance to more than 25 percent of the number of units (assisted or unassisted) in a project. See 24 CFR 983.56(a). However, a PHA that makes units in a project available specifically to elderly or families with disabilities or families receiving supportive services ("excepted units") may exceed this 25 percent cap with these excepted units only. In these circumstances a PHA may place project-based vouchers in up to 100 percent of the units in the project.
    For units that are excepted because they are made available to elderly or disabled families, the PHA may not require participation in any type of services as a condition of tenancy, although services may be offered. For units that are excepted because they are made available to families receiving supportive services, a PHA may not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit; however, other supportive services as defined by the PHA, including Family Self-

Sufficiency (FSS) services, may be required as a condition of tenancy. The PHA Administrative Plan must describe the type of services offered to these families or individuals for a project to qualify for the exception to the 25 percent cap and the extent to which the services will be provided. See 24 CFR 983.56(b).

Note: PHAs are reminded that PBV projects with up to 100 percent of the units committed to people with disabilities continue to be allowed under federal statute at 42 U.S.C. 1437(f)(o)(13)(D)(ii) and the HUD regulations cited above. On the services side, policy direction related to health reform implementation, behavioral health care integration, and state *Olmstead* planning will shape how services are defined, delivered, and financed for different populations. HUD recommends that PHAs establish strong relationships with state and county Medicaid authorities and health services agencies to discuss how Medicaid services might work in different housing settings and for different population groups going forward.

For more details related to Project-based Vouchers, please see Notice PIH 2011-54, *Guidance on the Project Based Voucher Program*.

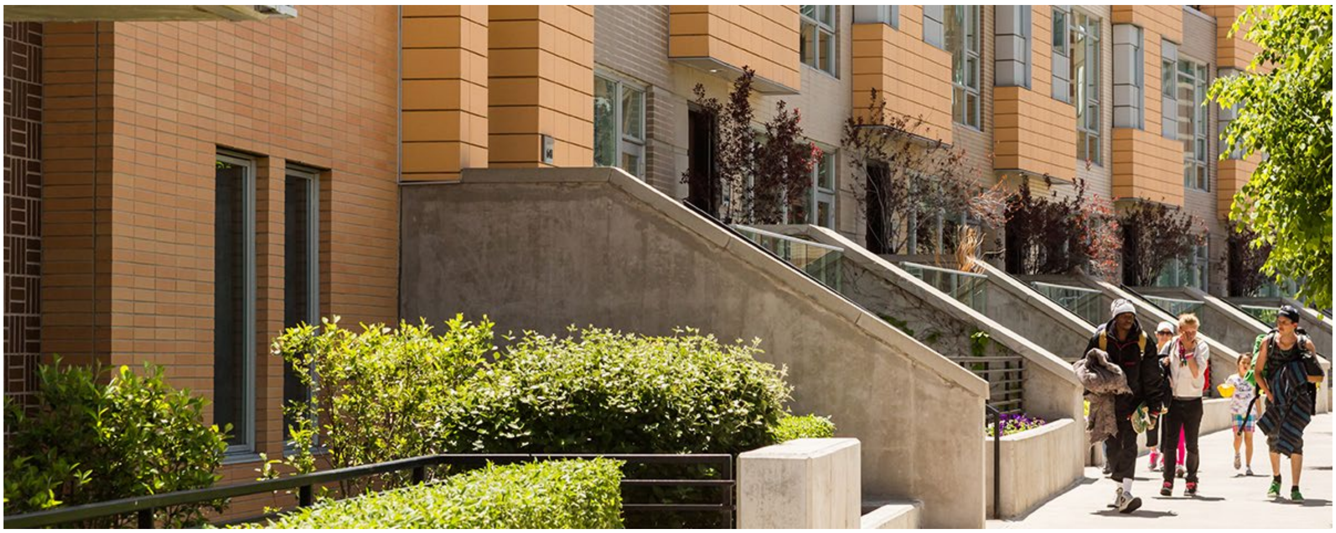
13. **Paperwork Reduction Act:** The information collection requirements contained in this document have been submitted to the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0083. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

14. **Information Contact:** Inquiries about this Notice should be directed to Ryan Jones at Ryan.E.Jones@hud.gov for Public Housing or Amaris.Rodriguez@hud.gov for Housing Choice Vouchers.

/s/

Sandra B. Henriquez, Assistant Secretary for
Public and Indian Housing

Housing Choice Vouchers Fact Sheet



On this page

What are housing choice vouchers?

The housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.

The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects.

Housing choice vouchers are administered locally by public housing agencies (PHAs). The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.

A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. This unit may include the family's present residence. Rental units must meet minimum standards of health and safety, as determined by the PHA.

A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program. Under certain circumstances, if authorized by the PHA, a family may use its voucher to purchase a modest home.

Am I eligible?

Eligibility for a housing voucher is determined by the PHA based on the total annual gross income and family size and is limited to US citizens and specified categories of non-citizens who have eligible immigration status. In general, the family's income may not exceed 50% of the median income for the county or metropolitan area in which the family chooses to live. By law, a PHA must provide 75 percent of its voucher to applicants whose incomes do not exceed 30 percent of the area median income. Median income levels are published by HUD and vary by location. The PHA serving your community can provide you with the income limits for your area and family size.

During the application process, the PHA will collect information on family income, assets, and family composition. The PHA will verify this information with other local agencies, your employer and bank, and will use the information to determine program eligibility and the amount of the housing assistance payment.

If the PHA determines that your family is eligible, the PHA will put your name on a waiting list, unless it is able to assist you immediately. Once your name is reached on the waiting list, the PHA will contact you and issue to you a housing voucher.

How do I apply?

If you are interested in applying for a voucher, contact the local PHA. For further assistance, please contact the HUD Office nearest to you.

Local preferences and waiting list - what are they and how do they affect me?

Since the demand for housing assistance often exceeds the limited resources available to HUD and the local housing agencies, long waiting periods are common. In fact, a PHA may close its waiting list when it has more families on the list than can be assisted in the near future.

PHAs may establish local preferences for selecting applicants from its waiting list. For example, PHAs may give a preference to a family who is (1) homeless or living in substandard housing, (2) paying more than 50% of its income for rent, or (3) involuntarily displaced. Families who qualify for any such local preferences move ahead of other families on the list who do not qualify for any preference. Each PHA has the discretion to establish local preferences to reflect the housing needs and priorities of its particular community.

Housing vouchers - how do they function?

The housing choice voucher program places the choice of housing in the hands of the individual family. A very low-income family is selected by the PHA to participate is encouraged to consider several housing choices to secure the best housing for the family needs. A housing voucher holder is advised of the unit size for which it is eligible based on family size and composition.

The housing unit selected by the family must meet an acceptable level of health and safety before the PHA can approve the unit. When the voucher holder finds a unit that it wishes to occupy and reaches an agreement with the landlord over the lease terms, the PHA must inspect the dwelling and determine that the rent requested is reasonable.

The PHA determines a payment standard that is the amount generally needed to rent a moderately-priced dwelling unit in the local housing market and that is used to calculate the amount of housing assistance a family will receive. However the payment standard does not limit and does not affect the amount of rent a landlord may charge or the family may pay. A family which receives a housing voucher can select a unit with a rent that is below or above the payment standard. The housing voucher family must pay 30% of its monthly adjusted gross income for rent and utilities, and if the unit rent is greater than the payment standard the family is required to pay the additional amount. By law, whenever a family moves to a new unit where the rent exceeds the payment standard, the family may not pay more than 40 percent of its adjusted monthly income for rent.

The rent subsidy

The PHA calculates the maximum amount of housing assistance allowable. The maximum housing assistance is generally the lesser of the payment standard minus 30% of the family's monthly adjusted income or the gross rent for the unit minus 30% of monthly adjusted income.

Can I move and continue to receive housing choice voucher assistance?

A family's housing needs change over time with changes in family size, job locations, and for other reasons. The housing choice voucher program is designed to allow families to move without the loss of housing assistance. Moves are permissible as long as the family notifies the PHA ahead of time, terminates its existing lease within the lease provisions, and finds acceptable alternate housing.

Under the voucher program, new voucher-holders may choose a unit anywhere in the United States if the family lived in the jurisdiction of the PHA issuing the voucher when the family applied for assistance. Those new voucher-holders not living in the jurisdiction of the PHA at the time the family applied for housing assistance must initially lease a unit within that jurisdiction for the first twelve months of assistance. A family that wishes to move to another PHA's jurisdiction must consult with the PHA that currently administers its housing assistance to verify the procedures for moving.

Roles - the tenant, the landlord, the housing agency and HUD

Once a PHA approves an eligible family's housing unit, the family and the landlord sign a lease and, at the same time, the landlord and the PHA sign a housing assistance payments contract that runs for the same term as the lease. This means that everyone -- tenant, landlord and PHA -- has obligations and responsibilities under the voucher program.

Tenant's Obligations: When a family selects a housing unit, and the PHA approves the unit and lease, the family signs a lease with the landlord for at least one year. The tenant may be required to pay a security deposit to the landlord. After the first year the landlord may initiate a new lease or allow the family to remain in the unit on a month-to-month lease.

When the family is settled in a new home, the family is expected to comply with the lease and the program requirements, pay its share of rent on time, maintain the unit in good condition and notify the PHA of any changes in income or family composition.

Landlord's Obligations: The role of the landlord in the voucher program is to provide decent, safe, and sanitary housing to a tenant at a reasonable rent. The dwelling unit must pass the program's housing quality standards and be maintained up to those standards as long as the owner receives housing assistance payments. In addition, the landlord is expected to provide the services agreed to as part of the lease signed with the tenant and the contract signed with the PHA.

Housing Authority's Obligations: The PHA administers the voucher program locally. The PHA provides a family with the housing assistance that enables the family to seek out suitable housing and the PHA enters into a contract with the landlord to provide housing assistance payments on behalf of the family. If the landlord fails to meet the owner's obligations under the lease, the PHA has the right to terminate assistance payments. The PHA must reexamine the family's income and composition at least annually and must inspect each unit at least annually to ensure that it meets minimum housing quality standards.

HUD's Role: To cover the cost of the program, HUD provides funds to allow PHAs to make housing assistance payments on behalf of the families. HUD also pays the PHA a fee for the costs of administering the program. When additional funds become available to assist new families, HUD invites PHAs to submit applications for funds for additional housing vouchers. Applications are then reviewed and funds awarded to the selected PHAs on a competitive basis. HUD monitors PHA administration of the program to ensure program rules are properly followed.

Additional Information and other subsidy programs

For additional information about the voucher program, contact either the local PHA serving your community or the Office of Public Housing within your local HUD office. There may be a long wait for assistance under the housing voucher program. If the PHA also administers the public housing program, applicants for the housing choice voucher program may also ask to be placed on the waiting list for the public housing program. HUD also administers other subsidized programs and you may obtain a list of programs in your area from the Office of Housing at your local HUD office.

What regulations cover this program?

Regulations are found in 24 CFR Part 982.

Are you a Landlord or PHA looking to increase landlord participation?

If you are interested in learning more about becoming a landlord, visit HCV Landlord Resources website.

Agency

Resources

U.S. Department of Housing and Urban Development

451 7th Street, S.W., Washington, DC 20410
T: 202-708-1112
TTY: 202-708-1455

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HOUSING AUTHORITIES:

Essential Partners in Ending Homelessness

A publication of the Council of Large Public Housing Authorities

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Cover photo: Bruno, Siti, and Juliana, housed at YWCA Family Village in Mountlake Terrace through the Housing Authority of Snohomish County's project-based voucher program for homeless families

Preface

In 2013, CLPHA's members—some of the largest and most forward-thinking housing authorities in the country—committed to an effort to reshape the way that the housing system works with other systems at the federal level. It is CLPHA's view that investing in systems alignment will ultimately improve the delivery of services and will support low-income households by allocating scarce resources more effectively, leveraging other public and private resources, and institutionalizing best practices. Housing authorities' partnerships and innovation are already challenging rigid, compliance-driven programs and systems to be better aligned and integrated while refocusing on "people outcomes." In the current budget climate, systems alignment may be the answer to the challenges that housing authorities face in continuing to meet their missions and to serve their communities.

CLPHA members already know, from experience, that when local systems work together, outcomes for families and individuals living in poverty improve. At the heart of every housing authority's mission is bettering the lives of the families and individuals they serve. For many housing authorities, this means coordinating with the local education, workforce development, health care, transportation, and social services systems to provide supports and opportunities to residents, recognizing that housing quality and stability are inextricably linked to the "people outcomes" of those systems. On any given day, CLPHA members make both affordable housing and vital services available to more than one million low-income households.

Service partnerships enhance housing authorities' ability to meet the needs of their communities, as evidenced by local-level work on homelessness. Housing authorities have always assisted households previously experiencing or at risk of experiencing homelessness. By enabling extremely low-income households to afford their homes, housing subsidies serve to prevent and end homelessness as a matter of fact. Increasingly, however, housing authorities are bringing their subsidies into partnerships with the homeless services system. Such partnerships lead to more targeted efforts to address homelessness, such as the development of permanent supportive housing for populations with specific service needs. Those housing authorities with additional flexibility through Moving to Work have developed additional innovative approaches, such as sponsor-based vouchers, and are dedicating resources to evidence-based practices such as rapid rehousing.

Partnerships also enhance our work at CLPHA, and we are grateful to be able to include in this publication contributions from the U.S. Interagency Council on Homelessness, the Bill & Melinda Gates Foundation, the National Alliance to End Homelessness, CSH, LeadingAge, and the National Coalition for Homeless Veterans. We appreciate their sharing of their expertise and their recognition of the importance of housing authority work in this arena. We look forward to expanding our partnerships, on issues related to homelessness and for broader systems alignment, and encourage readers of this publication to contact us with ideas about how we can work together to improve outcomes for those living in poverty.

Thank you for your interest in the work of housing authorities to end homelessness.

Sunia Zaterman

Sunia Zaterman
Executive Director, Council of Large Public Housing Authorities

Foreword

Grit and ingenuity. These two words capture the unique value that public housing agencies across the country bring to the work of ending homelessness. I've had the chance to witness this grit and ingenuity among public housing agency leaders and staff first hand, originally in my work to end homelessness at the community level in Ohio, and now in my role as Executive Director of the United States Interagency Council on Homelessness (USICH). Time and time again, I've watched public housing agency leaders make and stand behind bold commitments, tackle bureaucratic and political hurdles, and come up with innovative solutions and partnerships to improve housing opportunities for individuals and families experiencing homelessness.

The qualities of grit and ingenuity are reflected in the Council of Large Public Housing Authorities' (CLPHA) publication, *Housing Authorities: Essential Partners in Ending Homelessness*, through the many examples of how public housing agencies are helping to end homelessness. Now more than ever, we need the grit, ingenuity, and leadership of public housing agencies in our effort to end homelessness in America. This effort is guided by *Opening Doors*, the first-ever Federal strategic plan to prevent and end homelessness, which is shepherded by USICH in partnership with the 19 Federal agencies that comprise the Council and valued partners like CLPHA. *Opening Doors* is a roadmap for joint action, providing a reference framework for the allocation of resources and the alignment of programs. It includes 10 objectives and 58 strategies that call upon the Federal government to work in partnership with State and local governments, as well as the private sector, to employ cost-effective, comprehensive solutions to end homelessness. Its objectives are organized according to five themes, which CLPHA has, in turn, used to organize this publication: increasing leadership, collaboration, and civic engagement; increasing access to stable and affordable housing; increasing economic security; improving health and stability; and retooling the homeless crisis response system. These themes build upon the lesson that mainstream housing, health, education, and human service programs must be fully engaged and coordinated to prevent and end homelessness.

Such engagement and coordination drives the real work of ending homelessness, which happens at the community level, through partnerships between homeless services providers, Continuum of Care leaders, municipal and State governments, philanthropy, community and business leaders, and public housing agencies. In the past three years, we've seen how these local partnerships have resulted in significant progress towards achieving the goals of ending chronic homelessness and homelessness among Veterans by 2015, and ending homelessness among families, youth and children by 2020. We've seen declines in homelessness overall, while achieving greater declines in homelessness among Veterans and people experiencing chronic homelessness.

But make no mistake: we still have a long way to go and much work ahead of us to reach our goals. And adding to our challenge is the extraordinarily difficult budgetary and political climate in which we now operate. As public housing agencies are well aware, Federal resources for affordable housing—the cornerstone of the Federal strategy to end homelessness—have shrunk due to budget cuts and sequestration. Meanwhile, despite compelling evidence that investing in affordable and supportive housing is cost-effective for low-income households, including people experiencing homelessness, the current political climate is not the most conducive to reasoned, evidence-informed policy arguments.

I remain firm in my conviction that we can achieve the goal of ending homelessness in America. Getting there entails leveraging every available resource—Federal, State, local, and philanthropic—to provide affordable housing and permanent supportive housing to individuals and families experiencing homelessness. It requires the continued leadership and commitment of CLPHA and public housing agency leaders everywhere. It necessitates that those of us in the Federal government support the ability of public housing agencies to adopt the policy changes and programs that increase housing opportunities for people experiencing homelessness, things like limited homelessness preferences, revised admissions policies, project-based vouchers to create permanent supportive housing, and participation in Continuum of Care planning efforts. It also requires more Federal, State, local and philanthropic strategic investments in public housing agencies and their partners to expand the supply of affordable and permanent supportive housing.

Most of all, ending homelessness means learning from the example of public housing agency leaders, who routinely face bureaucratic and political obstacles and must make tough choices about how to allocate scarce resources. By channeling the grit and ingenuity they exhibit, we can ensure that no child, adult, or family will experience homelessness, but instead will have a stable place to call home.

Barbara Poppe
Executive Director, U.S. Interagency Council on Homelessness

Increasing Leadership, Collaboration, and Civic Engagement

Communities need strong leadership and coordination of efforts across all sectors in order to establish, implement, and revise action plans to prevent and end homelessness. These plans must be locally driven and tailored to address the specific conditions of the locality. Since 1995, communities have organized local or regional Continuums of Care (CoC) to take a collaborative funding and planning approach to providing homeless services. Originating in a U.S. Department of Housing and Urban Development (HUD) requirement to submit a single community application for McKinney-Vento Homeless Assistance Grants, the CoC maintains as a central purpose the preparation of that application and the oversight of administration of those grants. The CoC also bears responsibility for developing a long-term strategic plan and managing a year-round planning effort regarding the provision of homeless services. To support their efforts, CoCs gather local data on homelessness, largely carried out through a biennial Point-in-Time (PIT) count of all persons experiencing homelessness and through year-round data collection from homeless assistance providers in a local Homeless Management Information System (HMIS).

Despite the traditional division at the federal level between housing and homelessness program administration, many housing authorities have strong relationships with their local CoCs, in some cases playing important leadership roles in the collaborative approach. Some housing authorities have been engaged with their CoC since the beginning, as many administer Shelter Plus Care vouchers or projects, funded through McKinney-Vento grants. Others may have become more involved in the first decade of the 21st century, as communities began writing local ten-year plans to end homelessness. Most of those plans include a strong focus on developing an adequate supply of affordable housing, and housing authorities can play an important role in increasing that stock, whether as part of a development team or by allocating subsidies to new units to make them deeply affordable.

The affordable housing that housing authorities administer has become an increasingly essential part of local collaborations as more communities adopt a Housing First approach to address homelessness. Housing First efforts center on preventing homelessness and providing people experiencing homelessness with housing as quickly as possible, with varying levels of wrap-around services offered once they are housed, depending on need. With this approach, households can focus their attention on addressing the issues that led to their experience of homelessness because they have the stability of housing. Housing authorities provide units, often through set-asides or admissions preferences, that enable housing to come first.

Houston Housing Authority

HOUSING HOUSTON'S HEROES

"We do so much more together than we could do on our own."

– Mark Thiele, Houston Housing Authority's Vice President of the Housing Choice Voucher Program

Together with its governmental, non-profit, and private sector partners, the Houston Housing Authority (HHA) is well positioned to meet the ambitious goal of ending homelessness in Houston. On May 29, 2013, HHA celebrated the one-year anniversary of Housing Houston's Heroes, an initiative which successfully housed and provided supportive services to 148 homeless veterans, including 101 chronically homeless veterans, in 100 days. Throughout the first 100 days, HHA provided leadership through organization, engagement, community outreach, and agency performance.

In April 2013, HHA started another ambitious project—the goal this time to house 300 homeless veterans in 100 days. Together, the partnership surpassed this goal and housed 357 homeless veterans, including 195 chronically homeless veterans. Using HHA vouchers, Harris County Housing Authority vouchers, Supportive Services for Veteran Families (SSVF) funds, and other local HUD-funded Continuum of Care (CoC) units, this effort capitalized on an enduring sense of collaboration. HHA attributes its success to the coordinated access and outreach with its community partners. Working with its partners, HHA has hosted briefings that bring the homeless and homeless service providers together, in one room, in order to expedite the process of securing housing and supportive services for homeless individuals. Currently, Housing Houston's Heroes has housed over 830 homeless Houstonians.

"We do so much more together than we could do on our own," affirms Mark Thiele, HHA's Vice President of the Housing Choice Voucher Program, who has been the effort's Team Leader.

Housing Houston's Heroes has facilitated many other positive changes, including: an amended administrative plan allowing for a homeless admissions preference with attached supportive services, creation of a new HHA position focused on homeless and housing initiatives, Houston's move towards Coordinated Access for units funded by both the U.S. Department of Veterans Affairs (VA) and the CoC, integration of triage tools to assess and place clients in housing with the correct level of care, troubleshooting of system barriers, enabling open dialogue on the definition of chronic homelessness, formation of a subcommittee to address housing retention, increased utilization of the Homeless Management Information System (HMIS) to track those housed, a dramatic shift toward VA implementation of Housing First principles, and HHA's participation in Houston Registry Week.

Houston Registry Week, the local effort of the national 100,000 Homes Campaign, was a citywide collaborative initiative to create a comprehensive database to identify Houston's most vulnerable homeless individuals. For three days, volunteers canvassed downtown Houston surveying Houston's homeless. Identifying and prioritizing the most vulnerable homeless individuals is the first of a three-step process to house 2,500 homeless Houstonians by 2016. The additional steps include placing the homeless into permanent housing, and providing them with needed services and treatments.

"It makes sense on a moral and financial level to get Houston's homeless off the streets and into permanent supportive housing," says HHA President and CEO Tory Gunsolley. "We are committed to working with our partners to make sure that homeless veterans, individuals, and families in Houston get the help that they need."

Veteran James Adams in his new apartment
Courtesy of Johnny Hanson, Houston Chronicle

Veteran Burnell Bemiss in his new apartment

The unprecedented collaboration among Houston's homeless service providers greatly impacts the lives of Houston's homeless veterans, such as Marine Corps veteran James Adams. James moved into his new apartment in southwest Houston on May 1, 2013 after being homeless for five years. He said that his life is now back on track. He is taking classes to become an electrician and expects to graduate from Everest Institute in fall 2013. "I got my own place, and my self-esteem is coming back," James says. "Life has many challenges, and sometimes it takes people a little longer to get back up when life knocks them down."

Single father Burnell Bemiss is as optimistic as Adams about his future as a result of help from Housing Houston's Heroes. Burnell, an Army veteran, was living in a shelter with his 15-year-old son before receiving a voucher. Now, the two live in a two-bedroom apartment and are both grateful for the newfound stability in their lives. Burnell's son is involved in ROTC and is excelling at his high school. He plans on attending college and then pursuing a career in the military. Burnell is proud of his son but also proud of his own accomplishments. He is currently attending classes to become a barber and hopes to open his own barber shop. "Taking care of my son and watching him grow up to become a responsible adult is important to me," Burnell says. "My son and I are in a good place, things are better."

HHA President and CEO Tory Gunsolley conducting homeless survey with Houston resident

Agencies participating in Housing Houston's Heroes include: HUD; VA; City of Houston, Office of the Mayor; Baxter Trust; The Beacon; Career and Recovery Resources, Inc.; Catholic Charities; City of Houston, Housing and Community Development Department; City of Houston, Office of Veterans Affairs; Cloudbreak Communities; Coalition for the Homeless of Houston/Harris County; Compassionate Houston; CSH; Goodwill Industries; Harris County Housing Authority; Harris County, Office of Housing and Community Development; The Housing Corporation; Houston Housing Authority; Houston Food Bank; Houston Police Department – Homeless Outreach Team; Mental Health and Mental Retardation Authority; Neighborhood Centers, Inc.; Salvation Army; SEARCH Homeless Services; U.S. Vets.

Fresno Housing Authority

FRESNO MADERA CONTINUUM OF CARE

Fresno Housing (FH) employs innovative Housing First strategies to end homelessness in Fresno County. Through partnerships in the non-profit, government, and medical arenas, FH offers a plethora of housing options with services to diverse populations. Enhanced work around garnering additional resources for housing the homeless has strengthened the excellent partnerships that FH had previously forged. Homelessness and its solutions are community issues that should be addressed collaboratively, and FH leads its community in doing so, in a number of ways.

As the Collaborative Applicant for the Fresno Madera Continuum of Care (FMCoC), FH is responsible for stewardship of HUD's extensive Continuum of Care Notice of Funding Availability (NOFA) process for supporting projects that alleviate homelessness, for both Fresno and Madera Counties. In 2012, FH worked closely with all FMCoC members and an outside consultant on a successful Collaborative Application, resulting in funding for all but two new projects. Currently, resources stand at $5.7 million with 21 projects funded.

In addition, FH serves as the Homeless Management Information Systems (HMIS) Lead Agency, maintaining the system within its information technology purview and training all FMCoC members on superior data collection, quality, and analysis. As HMIS Lead, FH procures and analyzes data for the Annual Homeless Assessment Report and Housing Inventory Chart, which are reported to HUD.

FH embarked on participation in the 100,000 Homes Campaign in 2011. During Fresno's first registry in July 2011, 100 volunteers administered Health and Housing Surveys to approximately 250 homeless respondents over a three-day period. The resulting Vulnerability Index (VI) informed strategies on collaborative solutions to prioritize housing those most vulnerable. To date, utilizing VI data, Fresno has secured housing for 269 households of the area's most at-risk residents. In March 2013, Fresno participated in a Rapid Results Boot Camp, delving further into developing housing strategies for those most in need of assistance.

Building on its experience with the VI, FH along with FMCoC partners played an integral role in the 2013 Point-in-Time (PIT) count. With HUD's encouragement to incorporate the VI into the PIT, the FMCoC seized the opportunity to enhance its knowledge of characteristics of those it aims to serve. Over a three-day period in February 2013, volunteers surveyed the homeless community utilizing the Health and Housing instrument, resulting in the addition of 300 unsheltered individuals to the VI. One of the most important features of the PIT was civic engagement, and volunteers came from every part of the community—faith-based organizations, students, non-profit agencies, and concerned individuals.

> "This is all just one part of a collaborative, community-wide effort focused on a long-term strategy to prevent and end homelessness in our area."
>
> – Preston Prince, Executive Director and CEO of Fresno Housing

Preston Prince, Executive Director and CEO of Fresno Housing notes, "This is all just one part of a collaborative, community-wide effort focused on a long-term strategy to prevent and end homelessness in our area."

From its leadership position in the FMCoC, FH observed the scant supply of housing resources available to address homelessness, and the staff and Board of Commissioners responded by prioritizing the housing of homeless individuals and families. One of FH's proudest achievements is the establishment of 118 units of permanent supportive housing in partnership with the Fresno County Department of Behavioral Health (DBH). These "Renaissance" projects utilize a Housing First/Harm Reduction model with behavioral health services offered both on- and off-site. Such a model presents challenges, like dealing with behaviors antithetical to traditional housing models and teaching households that rent payment is the primary priority in maintaining housing. This is why case management is a vital element for success, and partnership with the dedicated professionals of DBH is invaluable. FH has developed the partnerships needed to take on the difficult and rewarding work of ending homelessness in Fresno County.

“I haven’t lived on my own for more than 27 years! I’m scared but know this is the step I need to move forward!”

– Jackie (left), moving into Renaissance at Santa Clara.

After eleven years of homelessness and dealing with substance abuse issues, Pearl was desperate for change but unable to make the transition to sobriety. Past trauma, coupled with life on the streets, was just too hard. Pearl utilized services at the local soup kitchen, the women’s day center, and sometimes spent nights at the women’s shelter.

She was fast losing hope of ever getting off the streets when she participated in a 100,000 Homes Health and Housing Survey. The volunteer performing the survey remembers Pearl sobbing as she recalled how long she had been on the streets and the trauma she faced throughout her life.

Pearl’s luck and life changed when she learned that she was eligible for a FH permanent housing program featuring subsidized housing payment and case management services. “I can’t remember a time when I have felt so blessed,” states Pearl, her smile and laugh infectious. Since moving into housing provided by FH, she has reconnected with her family, including her children and grandchildren. Today, Pearl has hope, love, and laughter—all because she has a place to call home.

Renaissance at Santa Clara

San Antonio Housing Authority

HOMELESS SERVICES VOUCHER PROGRAM

"We know that our partnership will continue to be vital as we work together to refine the housing strategy for people experiencing homelessness in our community."

– Scott Ackerson, Haven for Hope's Vice President of Strategic Relationships

The San Antonio Housing Authority (SAHA) serves 27,000 households through its 6,321 public housing units, 6,879 mixed-income units, and 13,417 Housing Choice Vouchers. While SAHA maximizes its HUD-funded, low-income housing programs, another 40,000 families are on the agency's waiting lists for housing assistance, and as many as 3,000 individuals are homeless in San Antonio every day.

"SAHA is committed to reducing homelessness in our community, through programs that provide affordable, quality housing for more than 1,100 homeless individuals and families, while working with local service providers on issues that affect the participants' quality of life," says Lourdes Castro Ramírez, SAHA President and CEO.

The agency's Homeless Services Voucher (HSV) program provides rental vouchers to homeless individuals through a partnership with Haven for Hope, a one-stop center for the homeless that features a multi-acre campus and a recovery-oriented system of care with comprehensive social services provided on-site by community agencies.

Haven for Hope is comprised of two major programs: Prospects Courtyard, a low-barrier, safe sleeping area that offers shelter and basic needs; and the Transformational Campus, a center that offers services and shelter with an emphasis on addressing the root causes of homelessness. The goal at the Transformational Campus is to help homeless individuals or families obtain the resources and support needed to attain permanent housing.

Through a collaborative process under SAHA's HSV program, Haven for Hope refers Transformational Campus participants to the Housing Authority, which places eligible applicants on the Housing Choice Voucher waiting list. Upon selection from the waiting list and final eligibility screening, an HSV participant is issued a voucher by SAHA and receives continued case management and supportive services from Haven for Hope.

"SAHA has been an invaluable partner in our efforts to rehouse families," says Scott Ackerson, Haven for Hope's Vice President of Strategic Relationships. "We know that our partnership will continue to be vital as we work together to refine the housing strategy for people experiencing homelessness in our community."

A total of 400 vouchers have been allotted for the HSV program, and 350 individuals are currently being assisted. Since its inception in July 2010, the program has helped 627 households, who rely on HSV assistance for an average of two years.

SAHA's other homeless assistance efforts include: 435 Veterans Affairs Supportive Housing (VASH) program vouchers, which combine rental assistance with case management and clinical services provided by the U.S. Department of Veterans Affairs (VA) at VA Medical Centers and community-based outreach clinics; 200 Set-Aside Homeless Voucher Program vouchers, which utilize a collaborative referral process with local supportive service providers including SAMMinistries and the Center for Health Care Services; and 101 Shelter Plus Care (S+C) vouchers, proving rental assistance and supportive services for homeless families and individuals with serious mental illnesses, chronic problems due to alcohol or drug dependencies, and AIDS or related diseases. Additionally, SAHA has engaged CSH to assist in the development of a Permanent Supportive Housing Program.

Air Force veteran Adele Jamison-Jackson, housed through SAHA's VASH program, and her daughters

Leslie Serna, 35, lost her full-time job as a car dealership service manager and then lost her home— ultimately finding herself at Haven for Hope, along with her five children. "After selling everything I had to keep up with the bills, my kids and I showed up to Haven with just three bags of clothes," says Leslie.

The following six months, which her family spent at Haven for Hope, required adjustments, especially for her children, who range in age from 11 months to 18 years. "You try to provide your children with as much as you can," she says. "But the experience helped my children appreciate more what they have."

After finding a job as a bartender, Leslie was able to save enough money to transition to her own home, upon receiving her voucher from SAHA. She credits the resources, programs, and advice given to her from the Haven for Hope representatives that helped her get back on her feet, provide for her children, and eventually buy a car.

Leslie just signed her second-year lease on her apartment and advises anyone who had a similar situation to take advantage of all that Haven for Hope has to offer. "Don't be afraid to ask questions about anything. They are here to help, and they want to see you succeed."

"After selling everything I had to keep up with the bills, my kids and I showed up to Haven with just three bags of clothes."

– Leslie Serna, participant in the Homeless Services Voucher Program

Increasing Access to Stable and Affordable Housing

According to HUD's *Worst Case Housing Needs* report, in 2011 there were only 31 affordable, available, and adequate housing units for every 100 extremely low-income renters. These are households with incomes of no more than 30 percent of their Area Median Income (AMI). As a result of this affordable housing shortage, the number of households with "worst case needs"—very low-income renters (up to 50 percent of AMI) who do not receive housing assistance and either pay at least half of their income for housing or live in severely substandard housing—has been increasing at a record pace for a decade. Between 2001 and 2011, the incidence of worst case needs increased by 69 percent.

Families with children make up the greatest share of worst case needs, accounting for 38.2 percent of the total. Among very low-income renter families with children, 42.8 percent have worst case needs, an increase of 24 percent since 2007. Paying most of their income for housing, these families are extremely vulnerable. One study showed that 20 percent of households with children in the lowest-income quintile lose more than 50 percent of their income in any given year, with only about half fully recovering the loss within a one-year period.[1] Without the resources to cushion themselves from such income shocks, households may experience serious residential instability, and may become homeless.

Although we have made some progress, as a nation, we are still challenged by the problem of family homelessness. As homelessness has decreased overall, the number of persons in families with children who are experiencing homelessness has seen only a limited decline, 3.7 percent since 2007. Between 2011 and 2012, homelessness among persons in families actually increased by 1.4 percent. During the 2010-2011 school year, public schools identified 1,065,794 homeless students, the highest number on record and a 57 percent increase since the 2006-2007 school year.

Aware of the traumatic effects that housing instability and homelessness can have on children—physically, emotionally, and in terms of their educational progress—housing authorities have developed specific efforts to help families regain and maintain stable and affordable housing. Some families, including those involved in the child welfare system, may need long-term support services to achieve stability. Others may only need short-term assistance to get back on their feet and may be best served with rapid rehousing assistance. Rapid rehousing is a Housing First strategy through which households receive temporary assistance that allows them to obtain and retain housing. It can take the form of short-term rental assistance, security deposit assistance, utility payments, moving cost assistance, or other types of assistance. For some families, this will be enough to stabilize their households, while others may need the long-term rental assistance of the traditional housing authority programs.

1 Bipartisan Policy Center Housing Commission. *Housing America's Future* (2013).

FAMILY HOMELESSNESS

BILL & MELINDA GATES FOUNDATION

By David Wertheimer, Deputy Director, Pacific Northwest Initiative

Rental markets that put housing out of reach of lower-income workers, unstable employment, domestic violence, uninsured health crises, long-term debt, checkered rental histories and mortgage foreclosures—these are but a few of the reasons families in the United States can face housing instability and homelessness.

There are as many unique stories of family homelessness in America as there are homeless families. In 2012, families represented 37 percent of the overall homeless population in the United States. HUD's 2012 Point-in-Time homeless count identified more than 230,000 people in families in 77,000 American households. In Washington State, the focus of homelessness work by the Bill & Melinda Gates Foundation, the 2012 count identified 9,231 homeless family members in 2,871 households. Other counts produce even more stark statistics. The 2012 count of kids who are homeless in public schools across Washington, which includes those in doubled-up housing, identified more than 27,000 homeless children across the state.

With numbers like these, it is no surprise that housing authorities in Washington—and elsewhere across the nation—have been such essential partners in the ongoing work of ending homelessness. But, as housing authorities and others know well, successfully stabilizing families in housing frequently requires more than just a roof overhead and pat on the back. Although rapidly housing homeless families is the essential first step towards stability, families may present a range of complex needs that must be addressed on an individualized and tailored basis if their housing tenure is going to be successful over time.

Data from a cohort of more than 350 homeless families being studied as part of our work in King, Pierce, and Snohomish Counties (the central Puget Sound region) provides insights into the range of needs that must be considered by housing providers working with these families. Three quarters of the families are headed by single adults, and many have young children: 66 percent have at least one child under six years old, 38 percent have a child two or younger. At baseline (shelter entry), 68 percent of the heads of household in these families met the threshold criteria for moderate or severe psychological depression. A history of domestic violence and/or trauma was reported by 61 percent of the families. Unemployment was reported by 65 percent of the potential wage earners in these families; for those employed, the mean hourly wage was $10.77, and families had a mean monthly income of $633. An alarming 84 percent reported significant levels of debt; the mean debt level was $14,117. A significant number of these families have been or are involved with the child welfare system.

Many of these families would benefit from help from a number of different sources. Yet the existing fragmentation of services and systems often complicates the experiences of these families, placing an even greater burden on shelter and housing providers to assume a coordinating role in service delivery. Working in partnership with housing authorities, housing can become the essential platform on which pathways to stability and success can be built. Pairing housing with the right mix of services—no more and no less than what each family needs—can make the difference between success and failure over time, both for individual families and for the systems that are assisting them.

Using tools like progressive engagement and formal linkages between housing, education, workforce training, employment supports and other services, partnerships with housing authorities have helped to reinforce how resilient families truly can be, and how the goal of stability and independence is within reach for many. In the current environment of limited resources that stretch every system's capacities to meet at times overwhelming demands, working with families to help them move up and out of subsidized housing supports the larger system goal of "through-put." That is, it frees up subsidies from the existing, limited pool and increases the number of families who can benefit from those subsidies. Over time, this actually increases the capacity of housing providers to meet the needs of the families whom they have not yet even met.

At the Bill & Melinda Gates Foundation, we rely on housing authority partnerships as critical to the shared goal of ending family homelessness.

Guided by the belief that every life has equal value, the Bill & Melinda Gates Foundation works to help all people lead healthy, productive lives. In developing countries, it focuses on improving people's health and giving them the chance to lift themselves out of hunger and extreme poverty. In the United States, it seeks to ensure that all people—especially those with the fewest resources—have access to the opportunities they need to succeed in school and life. Based in Seattle, Washington, the foundation is led by CEO Jeff Raikes and Co-chair William H. Gates Sr., under the direction of Bill and Melinda Gates and Warren Buffett.

Housing Authority of Snohomish County

PROJECT-BASED VOUCHER PROGRAM FOR HOMELESS FAMILIES

Of the 9,000 households on HASCO's Section 8 waiting list, 45 percent are homeless.

The Housing Authority of Snohomish County (HASCO) aims to provide housing opportunities that are as affordable as possible and that enhance quality of life for individuals and families of limited financial resources. HASCO owns and manages a portfolio of 5,500 subsidized and affordable units and vouchers, and covers a jurisdiction of 620,000 people and 15 school districts. Of the 9,000 households on HASCO's Section 8 waiting list, 45 percent are homeless.

HASCO began project-basing vouchers in 2001 as part of a regional initiative aimed at reducing homelessness for families with children. "Matching housing and supportive services for homeless families was a really good idea," says Bob Davis, HASCO Executive Director, "and we wanted to use our voucher resources to assist in that effort." HASCO understood that the educational and developmental outcomes of homeless children suffered due to lack of affordable housing and that the cycle of homelessness and poverty would continue without a housing and services intervention.

The agency's project-based voucher (PBV) program serving homeless families has grown to 243 units. In partnership with non-profit service providers, HASCO has been able to assist 1,055 families in the program since its inception, and among the households currently served by the program are 400 children. The average family in the program consists of a single parent with two children and has a household income of just $750 per month. The average family pays $118 per month to their landlord, and the PBV covers the balance.

HASCO's service provider partners screen homeless families for the program and provide wrap-around services including case management, mental health counseling, life skills classes, education and employment services, and youth programs. Service providers work closely with school district homeless liaisons to ensure educational needs are met for all children in the program. HASCO and other landlords provide the apartment units, and HASCO provides the rental assistance through PBVs. Once families complete their Supportive Services Housing Plan, they graduate from the program and receive a Housing Choice Voucher (HCV).

A recent evaluation of the program showed that, over a 2.5 year period, 86 percent of the participating families achieved housing stability, meaning they: (1) were still successfully participating in the PBV program, (2) had graduated and were successfully participating in the HCV Program, or (3) became self-sufficient and obtained their own housing.

Bruno, Juliana, and Siti

Siti and her two children, Bruno and Juliana, moved into the YWCA shelter in August 2010 after becoming homeless due to a family breakup caused by domestic violence. Siti's native country is Indonesia, and she has limited English proficiency, making it difficult for her to help her children with their school work. Bruno and Juliana attended homework club at the shelter for support with their school work, and Bruno received help from a YWCA Child Advocate. In addition, Siti attended Edmonds Community College to improve her English skills.

The family's dream of a safe and affordable home to begin their journey to self-sufficiency became a reality in April 2012, when they moved into their own three-bedroom apartment, a PBV unit at YWCA Family Village in Mountlake Terrace. This stable housing enabled Siti to obtain a job at the University of Washington in the janitorial department. In addition, Bruno and Juliana's school performance blossomed.

Bruno, age 12, just entered seventh grade and is thriving. Siti will enroll Bruno in Washington State's College Bound Scholarship Program, which combines with other state financial aid to cover college tuition for low-income seventh and eighth grade students who work hard in school, stay out of legal trouble, and successfully apply to higher education institutions.

Juliana, a 10-year-old in fifth grade, is an excellent reader and has received numerous awards for her reading accomplishments this past year. In addition, Juliana was able to receive McKinney-Vento transportation services from the Edmonds School District, allowing her to continue her education in her school of origin and avoid the school changes that often cause homeless students to fall behind.

"The collaboration between the YWCA, HASCO, and the Edmonds School District made it possible for this family to obtain the stable home they so desperately needed in order to thrive and to achieve their employment and educational goals."

– Maria Bighaus, Director of Housing Services of YWCA Snohomish County.

King County Housing Authority

RAPID REHOUSING DEMONSTRATION

> "Researchers have demonstrated that rehousing homeless children in stable, affordable housing allows them to 'make up' the learning and development they may have lost while homeless."
>
> – Casey Trupin, attorney with Columbia Legal Services

As homelessness increases among families, teachers and school administrators are witnessing its effects on children and their academic performance. School districts throughout Washington State are wrestling with this growing issue and recognizing its impact on the classroom. In 2012, school districts in King County alone reported more than 5,200 homeless children. This reflects an increase of 53 percent in just three years.

Being homeless affects how children learn. Kids who are sleeping on a relative's couch can't do their homework. Kids who change classrooms every two months because their parents don't have stable housing don't keep up with the curriculum for their grade.

Homelessness has been shown to affect the behavioral development, interpersonal relationships, and physical and mental health of students. Housing and classroom stability is increasingly associated with on-time grade advancement and graduation rates.

Under the federal McKinney-Vento Act, school districts are required to pay to transport students back to their school of origin, even if they have been forced to find emergency shelter outside the district. The purpose of this requirement is to support homeless students with classroom stability, keeping them connected to their teachers, peers, and a consistent curriculum. With no federal funding for this purpose, school districts must use limited education funds to provide cab fare, bus passes, or other means of transportation for these children. The cost is high and continues to grow: school districts in King County alone spent $5.69 million on homeless student transportation during the 2011-2012 school year.

Back to School Fair for Highline Students in SeaTac

While the intention of the McKinney-Vento requirement is laudable—it is well documented that providing a stable classroom setting can reduce the negative impacts of homelessness on children—wouldn't it be more effective to prevent or limit homelessness in the first place? Shouldn't available resources be directed to providing housing stability rather than cab fares? The King County Housing Authority (KCHA) is exploring how it can cost-effectively help address these twin challenges.

"Providing long-term stable, affordable housing has the effect of stabilizing the lives of formerly homeless students at home and at school," says Casey Trupin, attorney with Columbia Legal Services and one of the editors of the study *Beds and Buses: How Affordable Housing Can Help Reduce School Transportation Costs*, commissioned by the National Law Center on Homelessness and Poverty. "Researchers have demonstrated that rehousing homeless children in stable, affordable housing allows them to 'make up' the learning and development they may have lost while homeless."

Working as a partner in the Road Map District Consortium, a network of seven school districts in King County collaborating on educational initiatives under a federal Race to the Top grant, KCHA is developing a program that links schools and housing. A pilot Rapid Rehousing Demonstration with one of these partners, the Highline School District—where 900 students were homeless during the 2012-2013 school year—is just getting underway. Rapid rehousing is increasingly being seen across the country as an effective strategy for returning homeless families to permanent housing.

Using the flexibility provided under its Moving to Work (MTW) contract, KCHA's program will provide short-term rental assistance to rapidly rehouse 40 homeless families who have at least one child attending school in the Highline School District. The District's McKinney-Vento school liaisons will identify and screen eligible families for referral to the pilot program. These families will be connected to rental subsidies, client assistance funds, employment, and other resources. Neighborhood House, a service provider with deep roots in the south King County community, will provide support as needed through housing search assistance, job training, employment, and financial case management. The expectation is that targeted families will only require assistance for a limited period of time (six months or less). The goal is to stably rehouse these families within the catchment areas of their existing schools.

Technical assistance on program design is being provided by CSH. Building Changes, a local non-profit that supports homeless family initiatives, is providing funds for employment connection services. Additional client assistance funds from the United Way and other community foundations are expected to expand the reach of the program. If the demonstration program is successful, KCHA hopes to expand the initiative to the other school districts in the Race to the Top consortium.

Highline's Kindergarten Jump Start program

The initiative is being evaluated by an outside consulting firm. KCHA and the Highline School District will be looking at four outcomes:

1) Reductions in the length of time families are homelessness;
2) The success of the program in utilizing short term assistance to facilitate long term housing stability;
3) Reductions in the use of educational funds for transportation costs; and
4) Improvements in classroom stability and academic outcomes for the youth assisted.

The first day of school for students in the Highline District

Tacoma Housing Authority

COLLABORATION WITH THE CHILD WELFARE SYSTEM

In Washington State, seventeen housing authorities, four non-profit housing organizations, and the State's agency for child welfare services, Department of Social and Health Services (DSHS), have signed a Memorandum of Understanding (MOU) establishing a promising and innovative collaboration. They seek to better serve client households that need both housing and supportive services for one of three purposes: (1) to prevent the need for a child's foster care placement, (2) to shorten the length of a foster care placement, or (3) to allow a young person aging out of foster care to begin his or her adulthood without becoming homeless.

The collaboration aims to supplement and build upon the Family Unification Program (FUP) by committing 249 vouchers and units in addition to 912 FUP vouchers already designated for these purposes, with DSHS providing enhanced social services for as long as the household receives housing under the MOU. The service commitment may encourage a voucher landlord to take a risk on renting to a participating family or youth who may otherwise fail a landlord's screening, giving that landlord a caseworker to call if problems arise during a tenancy. The collaboration also takes advantage of the flexibility available to the four participating housing authorities with MTW status. For example, the Tacoma Housing Authority will limit the duration of its rental assistance for the non-FUP participants. Once the family is adequately stable and no longer needs the housing assistance to prevent or shorten a child's placement, DSHS could recycle the rental assistance to the next family who needs it for those purposes.

Along with others, Tacoma Housing Authority's Executive Director, Michael Mirra, helped develop this partnership as the housing representative on DSHS's Advisory Committee for fashioning a competitive application to the U.S. Department of Health and Human Services for a Title IV-E Waiver. Such a waiver allows more flexible use of federal foster care dollars. Mirra took the opportunity presented by the application process to move previous discussions forward and formally propose the housing-child welfare collaboration to the leadership of DSHS and to Representative Ruth Kagi, a leader on the issue in Washington's House of Representatives.

The proposal addressed two related problems. First, the nation's child welfare systems need housing resources to be effective. Conservative estimates indicate that, if DSHS child protection and child welfare workers had housing resources available to use when they judged it would work to prevent or shorten a child's foster care placement, the State could prevent about 5 percent of initial placements and significantly speed up reunification in 15 percent of placement cases. Other estimates suggest that nearly half of youth become homeless within two years of aging out of foster care. Second, many of these families and youth need more than housing. They need supportive services to succeed not only as parents or transitioning youth but as tenants. Services may be necessary to help them find and keep housing. Notably, they may need these services beyond the duration of the child welfare services they are receiving.

"If these estimates are even partially correct, then the provision of housing resources and supportive services offers several appealing and valuable policy and fiscal benefits," says Mirra. "It would greatly increase the ability of the child welfare system to prevent or shorten placements that would otherwise be unnecessary. It would better reserve placements for the children whose need for them is unavoidable. It would give youth a better chance at a stable life after care. It would save money in averted foster care costs."

Because of these promising advantages, DSHS and State Representative Kagi received the proposal very positively. "As Washington State embarks on a major reform of its child welfare system that involves keeping children safely at home whenever possible, and safely returning children home as soon as possible when removal is necessary, the cooperation and support of the public housers is critical to our success," explains Representative Kagi. The housing authorities, non-profit housing providers, and DSHS collaborated to develop the MOU, which the State of Washington then included as part of its successful Title IV-E waiver application. Representative Kagi credits the MOU as an important reason the State was successful in obtaining the waiver. Now, all partners work on implementation, expecting that the enhanced match of housing, child welfare services, and supportive services will make all three more effective and more cost-effective. The MOU provides for an evaluation of these possible outcomes, to be conducted by DSHS.

Increasing Economic Security

It is no surprise that households with the greatest financial insecurity are the most at risk of experiencing homelessness. In a country with 43 million people living in poverty, this fact leaves far too many people just one paycheck away from losing their homes.

Low-wage workers, for example, often find themselves in precarious housing situations. According to the National Low Income Housing Coalition's *Out of Reach* 2013 report, with only a handful of exceptions in states with higher minimum wages, there is no county in the United States where a one-bedroom unit priced at the Fair Market Rent is affordable to someone working full-time at the minimum wage. As a result of this mismatch between income and housing costs, low-wage workers must spend significantly greater percentages of their incomes for housing than their higher-income counterparts. Over three quarters of extremely low-income households spend more than half of their income on housing costs. This puts them at risk of losing their ability to pay for their housing as a result of reductions in working hours, job loss, or stagnating wages that do not keep pace with rent increases.

Unfortunately, this precariousness means that employment itself does not protect against homelessness. A startling number of those experiencing homelessness are actually employed. The New York Times recently reported that more than one out of four families in New York City shelters, 28 percent, include at least one employed adult, and 16 percent of single adults in shelters hold jobs. Hard-working, responsible people go to work each day, only to go back to a shelter at night because their wages are not sufficient to buy or rent adequate housing.

Those who face serious barriers to employment, such as ex-offenders trying to get back on their feet as productive community members, face an even greater risk of homelessness. Youth aging out of foster care, who are establishing independent households in the community for the first time without assets to fall back upon, are particularly vulnerable. Persons with disabilities who cannot work and those who have suffered long-term homelessness may need extra support to achieve economic and housing stability, including connections with mainstream assistance programs. These particularly disadvantaged populations require targeted resources and services to help bolster their economic security and prevent them from falling into or returning to homelessness. Housing authorities are helping to provide such assistance.

Still, most homelessness is situational, the result of an acute housing crisis, usually due to a sudden decrease in financial resources. Households experiencing situational homelessness spend relatively short amounts of time in the homeless assistance system, exit to housing, and rarely return. Due to their financial circumstances, they may need rental assistance to secure that housing, and supports such as case management and job search assistance to help them maintain it. Housing authorities are working with partners in their communities to provide these types of aid to those in need.

Housing Authority of the County of Santa Clara

THE OPPORTUNITY CENTER

In the heart of Silicon Valley, where the high cost of living is well beyond the means of many residents, the Housing Authority of the County of Santa Clara (HACSC) administers over 16,000 Section 8 vouchers and has a real estate portfolio of 2,700 tax credit and HUD-funded affordable units. Furthermore, HACSC has housed over 2,000 homeless families and seniors by using MTW funding flexibility to develop housing, and by dedicating new turnover vouchers and project-based vouchers to this population. These efforts are critical in Santa Clara County, where the 2013 Point-in-Time count found that more than 7,600 people are homeless on any given night—an increase of eight percent since 2011.

The Opportunity Center of the Midpensinula, a Housing First facility within HACSC's real estate portfolio, was built in 2006 to provide permanent housing plus comprehensive services and personalized case management to homeless individuals and families. "The Housing Authority serves as developer, asset manager, and joint owner. We, along with key partners Community Working Group and InnVision Shelter Network, work with a broad coalition of citizens, charities, local governments, and educators," says Vanessa Cooper, HACSC Director of Real Estate Services. "The mixed-use center combines 88 units of extremely low-income permanent housing with an on-site, drop-in service center for those experiencing or at risk of homelessness." Numerous non-profit organizations provide services and resources that include case management, medical services, counseling, food distribution, education support, computer access, laundry facilities, showers, and lockers.

Located in downtown Palo Alto and near Stanford University, in one of the wealthiest and yet most unaffordable places to live in the nation, the Opportunity Center provides homeless households with homes of their own and assists many more individuals and families in finding their way back to productive, self-sufficient lives. Personal success stories of Center residents provide support that the Housing First strategy for reducing homelessness is as effective in Palo Alto as it has been in other areas, including New York, Santa Monica, Alameda County, and San Francisco.

Personalized case management is paramount to helping people secure permanent housing and self-sufficiency. Last year, 2,975 case management services were provided to Opportunity Center clients. The case managers, staff, and specialist volunteers assist clients and residents with a range of issues from housing to substance abuse to financial assistance to the justice system. Currently 130 people, including 23 children, reside at the Center. The tenants' average stay of four years, with 20 percent of the tenants living at the Center for more than six years, demonstrates that these formerly homeless households have managed to stabilize their lives.

> "The Opportunity Center shows what can be done when a community and local governments work in partnership to solve homelessness and develop economic self-sufficiency."
>
> – Alex Sanchez, Executive Director of the Housing Authority of the County of Santa Clara

Equally important is the rental subsidy available to those who are unable to be housed due to insufficient or no income. Since its inception in 2006, the Center's rental subsidy program (provided by a local, community-driven non-profit) has aided 53 tenants, more than half of whom were disabled, chronically homeless, and without income. Funds provided amounted to $485,000. Through intense case management, 45 of the 53 tenants now are receiving benefits, while eight are employed. Data show that on average, current households experience an increase in income of 20 percent during their stay. A further 22 households are assisted by direct subsidy from HACSC, which has contributed $1,398,870 to date.

"The Opportunity Center shows what can be done when a community and local governments work in partnership to solve homelessness and develop economic self-sufficiency. This strategy is even more important as federal budget cuts continue to deplete funding for social services and affordable housing assistance," asserts Alex Sanchez, HACSC Executive Director.

Vanessa and Mae at the Center's six-year celebration

Mae Law, 50, has rented an Opportunity Center apartment for the past five years. She had been chronically homeless for 30 years, primarily in East Palo Alto. An InnVision Shelter Network client, Mae used all of the available services to get to where she is now—housed and employed. "I'm currently working as a dishwasher at Stanford University, and I've had that job for seven years this November," Mae says proudly. Mae's two months at the Hotel De Zink rotating emergency shelter, janitorial work with Palo Alto's Downtown Streets Team, and the Opportunity Center's rehabilitative and medical services all have enabled her to earn an income.

"Mae joins hundreds of Opportunity Center residents and service center clients who have moved into permanent housing or are taking huge steps toward self-sufficiency," says Dr. Don Barr, Stanford University Professor of Pediatrics and Human Biology, and a founder of the Community Working Group. "The several hundred names on the Center's housing wait list indicates a powerful need on the Peninsula for other centers like this one."

The Opportunity Center

Charlotte Housing Authority

COMMUNITY BASED RENTAL ASSISTANCE PROGRAM

A report by the U.S. Conference of Mayors revealed that Charlotte's population of homeless families grew by more than 20 percent in 2012. The report predicted that the size of that population would continue to increase in 2013. In addition, with Charlotte's population expected to double by 2050, there is no doubt that there will be an increased need for affordable housing to assist families across the city. The Charlotte Housing Authority (CHA) continues to use its MTW flexibility to create unique programs to address this growing need.

In 2011, CHA entered into a collaborative partnership with Charlotte Family Housing (CFH), a shelter-to-housing program, through the Housing Authority's Community Based Rental Assistance Program (CBRA). Under this 50-unit pilot program, which CHA is able to implement because of its MTW status, CHA provides a flexible housing subsidy of up to $500 per month to 50 homeless families: 10 to 15 families who need employment and 35 to 40 working households. The program targets extremely low-income families who are situationally or transitionally homeless. CFH submits the initial application packet to the Housing Authority, which then screens the applicant for eligibility requirements and processes the request for admission.

CBRA has requirements and processes similar to CFH's existing housing program. The goal is to help families achieve self-sufficiency within three to five years by providing comprehensive family development via social work, intensive case management, and access to services while the family is permanently housed in a stable apartment community. CFH established operating procedures, landlord relationships, and administrative staff to deliver wrap-around services. The partnership enables delivery of supportive services at no cost to CHA.

"We have been fortunate to work with partners like Charlotte Family Housing, who share in our mission of providing quality housing in sustainable communities of choice for residents of diverse incomes. This partnership allows CHA to leverage its resources to assist families beyond their housing needs," says A. Fulton Meachem, Jr., CHA's President and CEO.

CBRA participants receive intensive supportive services as a part of CFH's self-sufficiency program. Families are paired with a clinically trained social worker, who provides counseling and helps them create goals towards self-sufficiency. CFH social workers partner in all aspects of a family's life to give direction on reaching their goals, especially with financial literacy, vocational counseling, children's education, and health and wellness. The social worker connects families to resources in the community, such as Goodwill Industries of the Southern Piedmont's vocational training.

In addition, the self-sufficiency program includes help from social workers and volunteers trained to motivate and transact with families by offering interest-free microloans, interest-free and below-market car loans, matched savings accounts, and more, thereby preserving dignity and self-esteem, increasing personal accountability, and decreasing dependency.

Working families are expected to complete the self-sufficiency program within three years with a one-year extension, and non-working families are given a four-year program requirement with a one-year extension. Currently, 91 percent of the participating families have been successfully housed, graduated from CFH's program, and are maintaining permanent housing on their own without rental subsidy.

"This partnership with the Charlotte Housing Authority has allowed us to pull families out of their initial trauma and place them in stabilized housing, where they are able to benefit from our supportive services and empowerment-based strategies," states Darren Ash, founder of CFH.

"This partnership with the Charlotte Housing Authority has allowed us to pull families out of their initial trauma and place them in stabilized housing, where they are able to benefit from our supportive services and empowerment-based strategies."

– Darren Ash, founder of Charlotte Family Housing

Glendora in front of her house

After several bad relationships, Glendora was a 26-year-old single mother with five children living in New York. She decided to move south in 1998, eventually settling in Charlotte. Over the years, Glendora was able to get by on various jobs in retail and restaurants with the help of income from some of her children. Her circumstances changed when her 19-year-old son moved out and knee surgery forced her to stop working for a while. Unable to afford rent at her apartment, Glendora moved in with her oldest daughter and sent her two youngest children to live with their father.

Glendora realized she needed more permanent work and seized a job opportunity when it arose. "They told me I wasn't qualified, but my spirit was so good that they gave me the job," says Glendora, who began working at Burlington Coat Factory in 2011. Even with the new income, Glendora could not afford her own place, so she contacted CFH in early 2012. The CBRA program helped her obtain housing, and CFH helped her gain the skills needed to become self-sufficient. "Charlotte Family Housing has taught me a lot. Respect for money, planning ahead."

With her social worker, Glendora budgeted and saved for a house. Once she bought her own home, she was able to bring her younger sons back to live with her. She also graduated from Getting Ahead, a program that teaches families the hidden rules of the middle class and evaluates their current resources. Glendora has a new understanding of finances. Every month she puts $25 into savings, and she is saving to buy a car through CFH's Jumpstart Automobile program.

"I am in poverty, and I need to be on my A game to get out. I don't want a hand-out—I want a hand up," Glendora says. "You can take a fall, but as long as you keep your head up, stay focused, be persistent and don't be ashamed to ask for help, you'll get to where you need to go."

Cuyahoga Metropolitan Housing Authority

Y-HAVEN AND OPEN DOOR

"CMHA is proud of its partnership with Y-Haven, which focuses on helping residents with housing and obtaining the tools to achieve their goals."

– Jeffery K. Patterson
CMHA's CEO

Cuyahoga Metropolitan Housing Authority (CMHA) is committed to collaborating with local organizations addressing homelessness, as evidenced by its engagement with the Y-Haven and Open Door programs run by the YMCA of Greater Cleveland.

The Y-Haven program assists homeless men, 18 and older, to become self-sufficient, live free from drugs and alcohol, and achieve permanent housing. The average Y-Haven resident is a 38-year-old male with a seventh grade education. Approximately 99 percent of the clients have substance dependency issues, and nearly 40 percent have history of mental illness. Y-Haven provides transitional housing and a continuum of care beginning with primary treatment for substance dependency. When residents graduate from the primary counseling phase, case managers focus their treatment plan on continuing care, relapse prevention, and appropriate education and training programs.

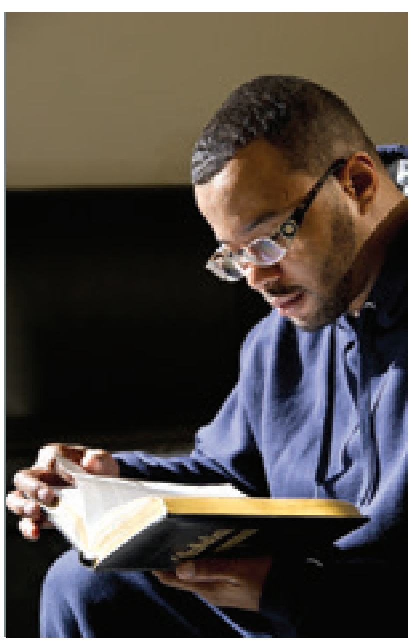
The final phase of the treatment plan is finding suitable permanent housing for residents. CMHA provides priority permanent housing for all graduates of Y-Haven's two-year program. To date it, this has resulted in hundreds of housing placements. In 2010, 170 men entered Y-Haven's residential substance abuse program, and an 85 percent graduated from the 90-day Primary Treatment Phase. Of the 170 residents, 151 (89 percent) increased their employment readiness skills and income, and 70 percent secured permanent housing through family reunification, home ownership, or subsidized housing. More than 3,000 men have turned to Y-Haven for help since it first opened, and over 70 percent of those who complete the program successfully live drug and alcohol free in permanent housing.

"CMHA is proud of its partnership with Y-Haven, which focuses on helping residents with housing and obtaining the tools to achieve their goals," says Jeffery K. Patterson, CMHA's CEO. "The Y-Haven Program continues to have highly successful outcomes in helping the chronically homeless population."

In 2011, CMHA, the YMCA, the Center for Families and Children, and Cuyahoga County's Office of Re-entry partnered to establish the Open Door re-entry program. Managed by Y-Haven, Open Door offers formerly incarcerated men comprehensive case management, transitional housing, and permanent housing placement with CMHA. Men at least 18-years-old and released from a correctional institution within the last six months are eligible for the program.

Y-Haven also administers the Green Team Custodial program, a job training and placement program that addresses employment barriers for the homeless by offering participants the training and work experience needed to develop long-term, transferable skills; a consistent work history; and economic self-sufficiency. The ten-week hands-on, comprehensive instructional program teaches janitorial and floor technician skills. Graduates, all of whom obtain recognized industry-certified credentials, have enjoyed an 80 percent job placement rate. The YMCA is one of the major employers of the graduates.

One of the two Y-Haven locations, Open Door, and the Green Team are housed at CMHA's Carl B. Stokes Social Service Mall, a one-stop shop for community needs managed by the Housing Authority. The Mall was formerly an elderly housing building that was redeveloped through a HOPE VI grant to house a full-service medical clinic, a large transitional housing program, a probation center, and additional social services. CMHA provides space, utilities, and security to maintain a drug-free environment, absorbing all capital cost in order to allow Y-Haven funds to pay for its direct services.



Reading at Alcoholics Anonymous support meeting

Y-Haven group session at the Stokes Social Services Mall

Bobby Nieves, 48, grew up in a Cleveland household with a bar as the focal point of family life, and by 13 he was into marijuana, speed, and alcohol. After high school, he relocated to South Carolina. "I was working for Coca-Cola first and then took a job in a mortuary. It was a very sad job, and I would drink away my sorrow," he recalls.

Eventually, Bobby's mom, disabled from diabetes and unable to care for herself, came to live with him. Growing stress from caretaking and work eventually led Bobby to try crack. Though he had been financially comfortable, he smoked his way through his money, neglecting his mother and his bills. His mom had to move back to Cleveland to be with his sister.

Bobby also moved back and eventually lost his apartment and nearly his life after getting into trouble with dealers. "I was in treatment a few times but then got addicted to Xanax. I felt helpless and hopeless," he says. In an act of absolute desperation, he decided to rob a bank for drug money, hoping either to be caught or killed. "I didn't think they'd give me the money and let me leave," he says. But that's what happened. And so Bobby smoked up the drugs bought with the stolen money and then turned himself in to the Justice Center.

Thirty months later, and after nine months of sobriety, he asked to come to Y-Haven. "Sobriety gave me enough sense to know what got me to prison in the first place." He credits group therapy with turning his life around. He turned the mirror on himself and really looked at who he is and why.

After pursuing career counseling and then community mental health counseling, Bobby decided to focus on working in a support capacity. He worked at several social service agencies. Then his dream job opened up at Y-Haven. Today, in his role as Y-Haven's Educational and Vocational Specialist, he helps clients find educational and employment opportunities. He helps them to prepare for interviews, write resumes and use the computer to search for job opportunities.

"People come here come as their last stop," says Bobby. "But you can actually see their hopes and dreams come alive as they progress through the program. They actually look different. What they learn here they take with them out the door."

YOUTH HOMELESSNESS

NATIONAL ALLIANCE TO END HOMELESSNESS

By Nan Roman, President and CEO, and Samantha Batko, Director, Homelessness Research Institute

An estimated 530,000 unaccompanied youth under age 25 are homeless for a week or more each year. Of these, 380,000 are 18 or younger. If they are lucky, homeless youth get a shelter bed or sleep on a friend or family member's couch. If they are unlucky, they sleep on the streets, in cars, in abandoned buildings; they may ride public transit all night; or they may barter sex for a place to stay.

While most quickly return home, a smaller percentage of youth faces greater challenges and requires more support to reconnect with family or find another living arrangement. Approximately 52,000 youth under the age of 24 have more serious problems: they are disconnected from school and family, homeless repeatedly or for long periods of time, and/or suffering with a disabling condition. The population of homeless youth is sizable compared to the 1.5 million adults and children that are homeless every year.[1]

There are a variety of reasons that so many youth become homeless. Housing affordability is a significant driver, although not as definitively as for homeless adults and families. Many young people become homeless when their families, unable to afford a place to live, split apart. Affordable housing can thus be cost-effective in allowing families to stay together and prevent foster care placement and youth homelessness.

Beyond causes related to housing, youth homelessness is often the result of family breakdown. Youth run away from home, are abandoned by their parents, or are rejected because of their sexual orientation. No matter what the appropriate housing intervention, family counseling and intervention are critical components of solutions to youth homelessness.

There are a number of distinct subpopulations of homeless youth. LGBTQ youth are over-represented. Youth who have aged out of foster care or "re-entered" from juvenile corrections and those from families with very young parents are at particular risk of homelessness.

Homelessness has serious consequences for young people. Unaccompanied homeless youth are at a higher risk for physical and sexual assault, abuse, and physical illness. They suffer from anxiety disorders, depression, post-traumatic stress disorder, and risk of suicide because of increased exposure to violence. Homeless youth are highly vulnerable to sexual exploitation and trafficking, and they are more likely to become involved in prostitution, to abuse drugs, and to engage in dangerous and illegal behaviors.

Prevention of homelessness is particularly important for youth. The provision of affordable housing can help to prevent the family dissolution that can lead to youth homelessness. For youth who are exiting foster care or juvenile corrections, affordable housing is also a critical need, and programs such as the Family Unification Program help achieve stability while youth address the challenges of employment and self-sufficiency.

For youth who have become homeless, family intervention and counseling play a critical role, but housing is also important. They need stable, short-term housing linked to family counseling and intervention to ensure the homeless episode is as short as possible. For those with more serious disabilities and those who cannot return home, permanent supportive housing may be indicated, although the meaning of "permanent" is often different for youth than it is for adults. Youth may move frequently to be close to employment or support networks of family and friends. As such, non-project-based housing assistance may be a particularly useful tool when assisting this population.

Many young people under age 25 experience homelessness every year, but for most it is a short experience. Housing is an important component of the solution to youth homelessness, but it must be accompanied with developmentally appropriate services and a linkage back to family or to another caring adult.

The National Alliance to End Homelessness is a nonprofit, non-partisan, organization committed to preventing and ending homelessness in the United States. As a leading voice on the issue of homelessness, the Alliance analyzes policy and develops pragmatic, cost-effective policy solutions; works collaboratively with the public, private, and nonprofit sectors to build state and local capacity; and provides data and research to policymakers and elected officials in order to inform policy debates and educate the public and opinion leaders nationwide.

1 Data on youth homelessness is imperfect at best. This information is from *An Emerging Framework for Ending Youth Homelessness* (2012), by the National Alliance to End Homelessness.

Greensboro Housing Authority

FAMILY UNIFICATION PROGRAM

According to the U.S. Department of Health and Human Services, over 25,000 youth between the ages of 18 and 21 left foster care in 2012. Housing stability is a key component in helping these youth successfully transition to adulthood and avoid homelessness. Through HUD's Family Unification Program (FUP), housing authorities and child welfare agencies partner to provide that stability, and the Greensboro Housing Authority (GHA) is among them.

Awarded 100 housing vouchers in 2010 through FUP, GHA quickly leased up the vouchers to families in need of rental assistance in Greensboro, North Carolina. FUP serves youth, ages 18 to 21, who have left foster care and who lack adequate housing. FUP vouchers used by youth are limited to 18 months of housing assistance. The program also serves families for whom the lack of adequate housing is a primary factor in the imminent placement of a child or children in out-of-home care or the delay of the unification of the family from out-of-home care.

"I see FUP as a permanent solution to a temporary problem," states Tina Gray, Vice President of Assisted Housing for GHA, "giving participants stability they never had."

Though administered by GHA, the program relies on the partnership between the state's Department of Social Services (DSS) and the Housing Authority to ensure that the vouchers go to eligible families and individuals, who also receive supportive services including money management skills, job preparation, educational counseling, and proper nutrition and meal preparation. This cooperative partnership is the key to the success of the program, which has served over 100 families since its inception. Among these are three young adults leaving foster care, whom GHA and DSS have helped to access stable and affordable housing.

"I see FUP as a permanent solution to a temporary problem...giving participants stability they never had."

— Tina Gray, Vice President of Assisted Housing for the Greensboro Housing Authority

Though the services for the youth have only been available since October 2010, one young man, Terrance, has shown how successful the program can be. After being part of the program for 18 months, Terrance is now self-sufficient with a full-time job due to his hard work and help through FUP.

Candace, the second youngest of seven children, was removed from her home at age two because of abuse and neglect. All six of her siblings were sent to live with family members, and Candace was placed in foster care. She bounced around from one foster home to another and can't remember how many homes she lived in while growing up. "Sometimes a worker from Department of Social Services would remove me because the foster parents didn't know what they were supposed to do, but sometimes it was because of me," states Candice.

At age ten, Candace began running away from her foster homes. "I had issues of trust, and I wanted to go home—I didn't understand." As she grew, life became more complicated as healthy relationships were hard to find. Candace dropped out of high school with only seven credits left for graduation. Though she tried returning to school at age 19, she felt uncomfortable because she was older than the other students and felt she didn't fit in.

Candace left the foster care program at 18 but remained connected to her DSS case worker. When funds became available through GHA's FUP to assist with her $425 per month rent, Candace was referred to GHA to complete the paperwork, attend orientation, and become a part of the program.

Now 20-years-old and mother of a six-month-old, Candace loves going to church, singing, going to the park and seeing animals; things she shares with her daughter. "Without this program, I would be struggling. I'm not sure where my daughter and I would be." FUP has created stability for both of them. "The program helps me provide for my daughter and give her a better home than I had. I'm an overprotective mother and concerned for my daughter's well-being and safety. I want to make things better for her." Candace describes herself as independent, responsible, and a good mother. "Life experiences have made me stronger. I am very happy," she says.

Candace is currently looking to earn her GED and become self-sufficient. From there she plans to pursue her dreams of becoming a pediatrician or registered nurse. "My aunt is a pediatrician and has been my role model. I would like to help people just like she does."

Candace and her daughter

Improving Health and Stability

Health and housing stability are closely linked, with the quality and presence of each affecting the other. Poor health and disabling conditions can be precursors to homelessness. Medical events that lead to an inability to work, to personal bankruptcy, and to foreclosure can in turn lead to homelessness, as the affected individual can no longer afford to pay for housing.

At the same time, the experience of homelessness exacerbates existing health conditions and leaves people at risk of developing new ones. People experiencing homelessness struggle to manage chronic diseases such as diabetes, hypertension, or asthma, and they have difficulty healing from more acute conditions, such as infections or injuries. Living on the street or in shelters, individuals experience emotional trauma and may become victims of violence. With inadequate hygiene due to their living situation, they may contract communicable diseases. Though ever present, these challenges and risks grow more serious the longer that a person is without stable housing. Mental health concerns, which affect a significant percentage of those experiencing long-term homelessness, can also increase the risk of developing physical health conditions, as they may cause people to neglect taking proper care of themselves.

In trying to address their health concerns, individuals experiencing homelessness may repeatedly and excessively use hospital emergency departments and inpatient services as their primary source of medical care. As patients are discharged back to the street or to a shelter, without the stability needed to follow through on a treatment plan, their outcomes remain poor.

Evidence indicates that permanent housing integrated with health care—both physical and behavioral—serves as an effective alternative intervention for homeless persons with serious medical conditions. Integrating support services such as case management also helps. For example, the Chicago Housing for Health Partnership, an 18-month randomized control trial, showed that providing housing and case management to adults with chronic illness who are experiencing homelessness creates housing and health stability and reduces the need for hospital care.

Since 2007, the number of permanent supportive housing beds in the United States has increased by 46 percent, or nearly 90,000 beds. These beds help ensure that their occupants have the stability they need to focus attention on managing their health and following medical treatment advice and instructions. In communities across the nation, housing authorities have provided subsidies essential to the development of permanent supportive housing for the most vulnerable members of their communities. They have helped to reduce chronic homelessness by more than 19 percent and to increase the quality of life for thousands of people.

CHRONIC HOMELESSNESS

CSH

By Deborah De Santis, President and CEO

For over twenty years, CSH has been providing housing solutions to communities across the country to meet the needs of the most vulnerable—with a significant focus on the chronically homeless. We have learned that housing coupled with services is the key to keeping individuals and families with disabilities and long histories of homelessness safe and stably housed, and improving their lives.

Seventeen percent of people who are homeless are experiencing chronic homelessness. An individual or family experiencing chronic homelessness typically has been homeless for more than one year or had multiple episodes of homelessness. Usually they also have one or more diagnosable disabilities such as a serious mental illness, substance use disorder, or a chronic physical health condition. The mortality rate for chronically homeless individuals is four to nine times higher than for the general population. Due to their intense needs, such persons or families often consume a disparate share of the resources in a given community. Many come to be "frequent users" or "high utilizers" of public services—facing the double jeopardy of having complex health and behavioral health problems but having no coordinated systems of care. This dynamic—coupled with a lack of stable housing—forces them through a revolving door of multiple, costly crisis and institutional settings such as emergency rooms, inpatient care, detox facilities, long-term care facilities, and correctional facilities.

These individuals' personal crises become public crises as their frequent and persistent encounters with public systems drive up public spending (in such areas as Medicaid, corrections, and homeless services) and contribute to overcrowded jails and overburdened emergency departments. Moreover, these increased expenses do not result in positive health, housing, or community safety outcomes. The clear alternative is a more appropriate, more humane, and less expensive approach to integrated care that includes housing.

Supportive housing, affordable housing combined with services that help people who face the most complex challenges to live with stability, autonomy, and dignity, is thus an effective solution for ending chronic homelessness. It can be particularly cost-effective when made available to people who otherwise spend multiple nights in expensive public institutions such as hospitals and jails. Increasingly sophisticated data collection systems and analyses provide new opportunities to identify frequent users of healthcare, correctional, and emergency systems; show the ripple effect of avoidable public service use across systems; and target interventions to those most in need and most likely to benefit. Further, a growing body of research has demonstrated that targeted interventions employing cross-system strategies—including care coordination and housing—can interrupt patterns of repeated rounds of institutional and emergency care, thereby improving individual lives and making better use of limited public resources. Supportive housing is a proven solution to the costly and tragic problem of chronic homelessness. Collectively, by increasing access to supportive housing, we are having an impact. According to HUD's 2012 Point-in-Time count, the number of persons experiencing long-term or chronic homelessness has declined 6.8 percent (or 7,254 persons) from 2011 and 19.3 percent (or 23,939 persons) since 2007. Housing authorities have played a critical role in this success, providing much needed rental assistance, prioritizing chronically homeless people in their administrative plans, project-basing vouchers for supportive housing, partnering with community behavioral clinics, and so much more.

Housing authorities face significant challenges to playing such a role in ending chronic homelessness, including limited resources. Though supportive housing produces cost savings, it is difficult to harness those savings when they are accruing to another public system. Because policymakers seeking to reduce the cost of caring for complex beneficiaries of any one of these systems do not control the policies that ultimately affect spending for all systems, comprehensive solutions require broad-based approaches that consider the full range of public services. This requires leadership, vision, and coordination, from housing authorities and from their partners.

The resulting strong partnerships between housing authorities, local Continuums of Care, and supportive housing providers across the country are clearly producing results and improving lives. In the summer of 2013, CSH signed a Memorandum of Understanding with CLPHA to partner on even more efforts to create supportive housing opportunities for the chronically homeless and other extremely vulnerable populations. Together with its members, CLPHA and CSH are expanding our collective impact, engaging more housing authorities, providing the tools and knowledge to create supportive housing, and developing strategic partnerships. Supportive housing providers are looking for vouchers, for development partners, for project-based rental assistance, and for easier access and lower barriers to existing housing authority-controlled units. Housing authorities are looking for good relationships with landlords, high utilization rates, and competitive advantages when applying for grants or other forms of capital. Thus, when housing authorities and supportive housing providers collaborate, it is a win-win situation.

Even under adverse conditions, CLPHA members and other housing authorities around the country are helping to lead the way to ending chronic homelessness, providing critical rental assistance but also playing many other key roles in efforts to provide more supportive housing opportunities to the most vulnerable people in our communities. With this leadership, chronic homelessness will continue to decline, until it is ultimately ended.

CSH

CSH transforms how communities use housing solutions to improve the lives of the most vulnerable people. We offer capital, expertise, information and innovation that allow our partners to use supportive housing to achieve stability, strength and success for the people in most need. CSH blends over 20 years of experience and dedication with a practical and entrepreneurial spirit, making us the source for housing solutions. CSH is an industry leader with national influence and deep connections in a growing number of local communities. We are headquartered in New York City with staff stationed in more than 20 locations around the country. Visit csh.org to learn how CSH has and can make a difference where you live.

San Diego Housing Commission

HOME AGAIN, PROJECT 25

The San Diego Housing Commission (SDHC) made a commitment to find solutions toward ending homelessness in the City of San Diego through innovation and partnerships. Both were used to launch the United Way of San Diego County's (United Way) Home Again, Project 25 (Project 25) campaign targeting 25 homeless individuals who had become the most frequent users of public services.

On July 1, 2010, SDHC became one of the first housing agencies in the nation to receive HUD approval to use federal Sponsor-Based Vouchers to provide long-term housing for chronically homeless individuals. When the United Way approached SDHC in December 2010, seeking help to address the problem of chronic homelessness through Project 25, SDHC was in a position to step in.

With its MTW designation, SDHC has the flexibility to test innovative programs for local housing needs. For Project 25, SDHC awarded Sponsor-Based Vouchers to St. Vincent de Paul Village, a local homeless rehabilitation agency that manages the program for the United Way, to place 25 homeless San Diegans into long-term housing.

"These federal housing vouchers have become an essential component in the success of this program and the significant savings it has meant for public services and safety," says SDHC President and CEO Richard C. Gentry. "These vouchers are making a profound difference for people who are struggling not just to get their lives in order, but to get a roof over their heads as well."

A three-year pilot program launched in January 2011, Project 25 focuses on adult men and women who account for some of the costliest demands on medical, law enforcement, and emergency services, frequently stemming from mental health or substance abuse issues. The campaign begins by providing them with a place to call home. Then, it builds on this critical component by providing participants access to mental and physical health services, substance abuse counseling, and other supportive resources needed to stabilize their lives.

St. Vincent de Paul Village, working off a list of the highest users of public services referred to them by hospitals and law enforcement, issues the vouchers in the individuals' names after SDHC confirms their eligibility. There's a waiting list for future participants. The County of San Diego awarded an additional 10 housing subsidies to the program, bringing to 35 the total number of participants in Project 25.

"The progress we are seeing with Project 25 is the direct result of the growing collaboration between the County of San Diego, the City of San Diego, the San Diego Housing Commission and the other partners we have, including St. Vincent de Paul and the United Way," says County Supervisor Greg Cox, Chairman of the San Diego County Board of Supervisors.

Additional partners include: Alpha Project, County of San Diego District Attorney, County of San Diego Health & Human Services Agency, Family Health Centers of San Diego, San Diego County Sheriff's Office, San Diego Medical Services Enterprise, San Diego Police Department, San Diego Rescue Mission, and UC San Diego Medical Center.

"These vouchers are making a profound difference for people who are struggling not just to get their lives in order, but to get a roof over their heads as well."

– Richard C. Gentry, President and CEO of the San Diego Housing Commission

In April 2012, Project 25 announced preliminary results of the program:

- Emergency room visits down 77 percent
- Ambulance transports down 72 percent
- In-patient medical stays down 73 percent
- Arrests down 69 percent
- Jail days down 43 percent

In April 2013, Project 25 updated the cost savings the program has provided. According to St. Vincent de Paul Village, the 35 people whom Project 25 has helped cost the community $4.2 million in 2010. In 2012, the cost to the community was $2 million. Including the operating cost, the program has saved the City more than $1.4 million.

James, at his downtown San Diego apartment

The idea that "home is where you hang your hat" is no cliché for James, 48, an Army veteran who was homeless for almost 15 years before one of SDHC's Sponsor-Based Vouchers through Project 25 helped him get an apartment.

The hallway of his apartment in downtown San Diego is lined with more than 30 baseball caps—the San Diego Padres, NASCAR's Kyle Busch, Tapout, and "President Obama at Barnard Commencement," among others. "I change my hats like the weather," James says. Collecting them "is like a little hobby, it gives me something to do."

James is now in recovery from alcoholism. His homelessness previously was a costly drain on public resources: 54 ambulance rides, 51 emergency room visits, and 34 jail days just in 2010. Then St. Vincent de Paul Village chose James for Project 25 from a list of the highest users of public services.

James says his apartment provides him with stability and a sense of purpose. "I feel like somebody again." Off the streets, he returned to his love of cooking. He has a closet for his shirts and a place to iron them. He cleans obsessively.

He keeps a regular schedule of appointments with doctors, a case management worker, and a life skills coach. He attends Alcoholics Anonymous. With the emergency room visits and jail time behind him, James feels like he is on his way back up. "I'm advancing. I'm not taking steps backward. It's been tremendous, the difference. And I can't believe this myself."

Oakland Housing Authority

SPONSOR-BASED HOUSING ASSISTANCE PROGRAM

In 2010, the Oakland Housing Authority (OHA) used its MTW designation to create a local Sponsor-Based Housing Assistance Program (SBHAP) to serve low-income clients who otherwise might not qualify or be successful in the traditional Public Housing and Section 8 programs. This initiative aims to assist a population of hard-to-house clients with special needs by leveraging additional funding and program expertise in the community.

In order to meet these goals, OHA established the Oakland PATH Rehousing Initiative (OPRI) through a partnership with the City of Oakland's Department of Human Services (DHS) and the City's Permanent Access to Housing Strategy (PATH) to end homelessness. As part of the agreement with the City, OHA allocates up to $1,500,000 per year for rental housing assistance through OPRI providers to between 125 and 144 households who are also receiving services from providers working under contract with DHS.

Those served under the SBHAP agreement come from homeless encampments or are exiting the criminal justice system, including re-entering youth. Program eligibility was streamlined to best meet the needs of the target populations while maintaining program integrity. Households receiving assistance through the program pay no more than 30 percent of their income towards rent and must meet the same income limits as the Section 8 program.

OHA funding through SBHAP covers the direct housing subsidy costs, security deposits, monthly utility payments, repairs and cleaning, vacancy losses on master leased units, and housing locator assistance. Providers work under contract with the City of Oakland and are entitled to a 10 percent administrative fee. All funds received by the City under OPRI are passed through to the providers. The City does not receive any direct funding for the program and is not authorized to charge the Housing Authority for any costs associated with the administration of this agreement.

The City currently leverages social services funding of $1,600,000 with OHA funds to administer the program using four providers. Abode Housing provides housing placement assistance to up to 124 adults in the program. The ongoing services for the homeless individuals coming from the encampments are provided by Lifelong Medical. Additionally, housing placement and ongoing services for youth coming out of the criminal justice system are provided by First Place Fund for Youth, while services for the adult re-entry population are provided by Volunteers of America.

As of May 31, 2013, 139 individuals were receiving housing assistance through the program, and 74 of them came from homeless encampments. The remaining 42 had recently exited the criminal justice system, including 23 youth. Since its inception, the program has assisted over 200 people: 116 individuals who were residing in an encampment, 20 of whom have a serious mental illness; and 53 re-entry individuals. Thus far, 95 percent of all persons who obtain housing through the program remain housed for more than six months, and 85 percent for more than a year.

"The first three years of our Sponsor-Based Housing Assistance Program and the OPRI partnership have demonstrated great success in connecting some of Oakland's most vulnerable and at-risk households to the housing and services they need to increase stability and self-sufficiency," says OHA Executive Director Eric Johnson. "However, federal funding cuts have caused a serious shortfall of available MTW funding, resulting in a current freeze on program enrollments. It is critical that Congress reverse this trend so that we can build on this promising start."

"The first three years of our Sponsor-Based Housing Assistance Program and the OPRI partnership have demonstrated great success in connecting some of Oakland's most vulnerable and at-risk households to the housing and services they need to increase stability and self-sufficiency."

– Eric Johnson, Executive Director of the Oakland Housing Authority

SENIOR HOMELESSNESS

LeadingAge

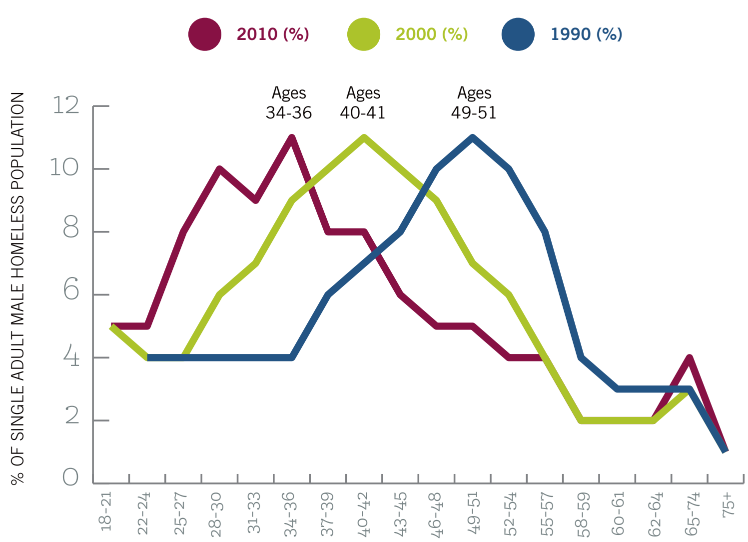
By Alisha Sanders, Managing Director, LeadingAge Center for Housing Plus Services

If you pass by a homeless shelter these days, you may notice that a large number of people coming or going from the shelter walk with canes, use a cart of some sort as a walker, or, frankly, just have a lot of wrinkles. This reflects what is happening in the homeless population across the nation; it's aging. While the general population is aging, the aging of the homeless population is actually a distinct phenomenon.

The median age of homeless single adults in 2010 was about 50, up from 35 in 1990. In 2011, over a quarter of individuals in shelters were age 51 and above. According to researcher Thomas Byrne and his colleagues, the aging of the homeless population is the result of a cohort effect. Persons born during the latter half of the baby boom era (i.e., 1955-1965) have consistently remained at the highest risk for homelessness as they have aged. The chart below shows how this segment of the homeless population is like a wave moving through time.

Because of this cohort effect, the homeless population is expected to continue aging. Byrne and colleagues predict that by 2025, the largest proportion of the single adult homeless population will be between the ages of 65 and 74.

In the context of homelessness, we label individuals as "elderly" starting at age 50 because living on the street prematurely ages people. Although chronologically younger, they develop chronic illnesses and geriatric conditions that rival those ages 65 and above. Chronic illnesses are things that persist for extended periods, like arthritis, diabetes and heart disease. Geriatric conditions include things such as functional impairment, cognitive impairment, hearing or visual impairment and urinary incontinence.



Combine the lack of stable housing with high levels of chronic disease and geriatric syndromes, and homeless elderly adults use health resources at a very high rate. For example, researchers have found that homeless adults age 50 and over use the emergency department at a rate nearly four times that of the broader population.

Although the reasons are often complex, studies suggest there are two primary pathways into elder homelessness. Some individual have been chronically homeless over many years, experiencing challenges such as mental illness, substance abuse, imprisonment and other instabilities. This is partially what is playing out in that cohort effect. Others are simply financially vulnerable. They may be living on a small fixed income, lose a job, not able to find affordable housing, have a precarious social support network, develop a debilitating illness without access to health insurance or, likely, experience a combination of many of these challenges.

Together, the shifting age of the homeless population and the premature aging of homeless adults have implications for serving this population, both in temporary shelter and permanent housing environments. Providers will need to consider a broad array of supportive services. In addition, to mental health and substance abuse services, providers will need to consider physical health services and resources to help individuals manage their chronic illnesses.

Coping with functional limitations is challenging enough without staying in a traditional shelter or on the street. Although all populations deserve to be housed, there should be a focus on rapid rehousing or permanent supportive housing for the elderly homeless population. As the population ages, many begin to become eligible for elderly-designated subsidized housing and other age-related programs. This opens new partnership potential between providers and opportunities to assist this vulnerable population.

LeadingAge™

To expand the world of possibilities for aging, LeadingAge members and affiliates touch the lives of 4 million individuals, families, employees and volunteers every day. The LeadingAge community includes 6,000 not-for-profit organizations in the United States, 39 state partners, hundreds of businesses, research partners, consumer organizations, foundations and a broad global network of aging services organizations that reach over 30 countries. The work of LeadingAge is focused on advocacy, education, and applied research. We promote home health, hospice, community-based services, senior housing, assisted living residences, continuing care communities, nursing homes as well as technology solutions and person-centered practices that support the overall health and wellbeing of seniors, children, and those with special needs.

Source: Culhane, D.P., Metraux, S., **Byrne, T.**, Stino, M., & Bainbridge, J. (2013). The age structure of contemporary homelessness: Evidence and implications for public policy. Analyses of Social Issues and Public Policy. Online version ahead of print publication.

Housing Authority of the City of Los Angeles

PERMANENT SUPPORTIVE HOUSING PROGRAM

Los Angeles is known as the homeless capital of the country. To shed the city of this title, the Housing Authority of the City of Los Angeles (HACLA) has been collaborating with public and private partners to address the problem. The agency is playing a key role in an unprecedented effort to tackle chronic homelessness through the Permanent Supportive Housing Program (PSHP). To date, HACLA has committed over 2,500 Section 8 Project-Based Vouchers for homeless and chronically homeless individuals and families to this effort.

Permanent supportive housing combines affordable housing with comprehensive services such as mental health treatment, substance abuse prevention, employment opportunities, and life skills training. Studies in Los Angeles show that placing someone in permanent supportive housing is 40 percent less costly than leaving them on the streets, where they utilize a variety of public resources.

"Los Angeles has the largest homeless population in the United States. Those of us tasked with providing housing cannot ignore this fact. The Housing First model provides the stability that this population needs in order for them to receive proper treatment. Some of these individuals have been living on the streets for twenty, thirty years. Los Angeles' Permanent Supportive Housing Program demonstrates that there is a solution, and I am pleased that HACLA can provide critical resources toward this effort," says Douglas Guthrie, President and CEO of HACLA.

Seniors are one of the target populations assisted through the PSHP. While the elderly are assisted in projects across HACLA's portfolio, several projects specially target this group. Among them is Parkview on the Park. Developed by Los Angeles Housing Partnership, Parkview on the Park is a transit-oriented community of affordable housing for seniors that features 79 fully-furnished efficiency units and approximately 8,000 square feet of on-site social service and community space.

In response to overwhelming need, 50 percent of the units at Parkview are set aside for the homeless and chronically homeless senior population in Los Angeles, including veterans, seniors at risk of being homeless, and seniors that are formerly homeless. To aid tenants in need of permanent supportive services, the building facilitates full-time, on-site and off-site mental health and homeless case management services, provided by partner agencies such as Affordable Living for the Aging (ALA).

Studies in Los Angeles show that placing someone in permanent supportive housing is 40 percent less costly than leaving them on the streets, where they utilize a variety of public resources.

In order to best target PSHP resources such as the units at Parkview on the Park, HACLA is participating in United Way of Greater Los Angeles' Home for Good (HFG) effort, a five-year plan to end chronic and veteran homelessness in Los Angeles County by 2016. HFG has focused public agencies, community based organizations, businesses, and foundations on establishing a regional coordinated system to serve the most vulnerable by leveraging the resources of all the partners.

In March 2013, HACLA was among the core group of HFG partners that launched the Skid Row Coordinated Entry System (CES) Pilot—a single, accessible system that enables all local homeless service organizations to identify the homeless in a community by name, assess their vulnerability, and prioritize them for housing using a methodology that ensures the most vulnerable are housed first, then links them with the next available appropriate housing resource. The team streamlined the information and data required into a single document called the Rapid Universal Supportive Housing (RUSH) application and used it to house 37 of Skid Row's most vulnerable, several in as soon as one day. The next step is to implement the CES in other parts of the County.

Collaboration with these partners, who share the agency's vision and have committed resources, will enable HACLA to use the PSHP to house the most vulnerable members of the community in the most efficient way possible.

Paul Davies

Nick Sidebottom, a Parkview on the Park resident who was homeless before being housed through HACLA's PSHP

"This place enabled me to grow as a person, not just grow old and die."

- Paul Davies, Parkview on the Park resident

For those who enter his immaculately-kept apartment and receive his warm hospitality, it is difficult to imagine that Paul Davies, 67, has lived such a tough life—most of it homeless. He grew up in San Diego with an alcoholic mother who beat Paul while her boyfriend held him down. "She told me that I had ruined her life," he recalls. "A child questions his reality after a while. You are damaged, and you never really learn how to function in life." The constant abuse led him to develop a stutter at the age of seven.

At age 16, he ran away. He was unable to hold down the job he found at a plastics plant due to flashbacks to his childhood. He was later hired by Aerospace to develop space locks for spacecraft, excelling in his work and contributing to Apollo 11's landing on the moon. After being laid off, he took on odd jobs to get by, leading a carefree life and hitchhiking through several states.

When he tired of the hippie lifestyle, Paul enrolled in a junior college and eventually earned a Bachelor in Science. He met his wife and had twin girls, but things fell apart after his wife had a seizure and died. Paul's girls were taken from him while he struggled to maintain a job and care for his daughters. He fell into depression and befriended cocaine.

Paul returned to California, where he became homeless. Declining health and lack of resources thwarted attempts to pull his life together, and he had no luck seeking housing through different social service providers. Paul was exhausted and losing hope when he was introduced to St. Barnabas Senior Center, where he was able to get a voucher for Parkview on the Park. "I couldn't sleep the first night, I was afraid of something. When dawn came, I figured it out. I wanted to touch everything to make sure it wasn't a dream. I jumped up and looked around and said, 'Is this real?'" Paul recalls. "This place enabled me to grow as a person, not just grow old and die."

Marin Housing Authority

SHELTER PLUS CARE PROGRAM

Marin County, California, known for its beauty and affluence, has one of the highest per capita incomes in the nation. It also has a significant wealth disparity that is challenging for the poorest citizens, including the mentally ill homeless. Affordable housing is a challenge for the wealthy county in general, and it is even more of a pronounced issue for those with mental illness. While the Fair Market Rent (FMR) for a two-bedroom unit is $1,795 per month, many households on Supplemental Security Income (SSI) receive roughly $866 and those on General Assistance receive roughly $387 monthly.

Since 1994, Marin Housing Authority (Marin Housing) has partnered closely with the County of Marin Mental Health and Substance Use Services (MHSUS) Department to provide permanent supportive housing to homeless individuals and families with severe and persistent mental illness, 70 percent of whom have co-occurring substance use issues. Marin Housing's program combines HUD-funded tenant-based Shelter Plus Care (S+C) Program rental subsidies with in-house wrap-around intensive case management.

MHSUS approached the Housing Authority with operating funds to hire mental health and housing search case managers, along with a clinical supervisor, and access to the County's psychiatrist and mental health nurse practitioner. The intention was to help the mentally ill homeless not only obtain permanent housing through the S+C Program but also maintain the housing and avoid costly recidivism, hospitalizations, and incarceration. The program has expanded to include a team of Peer Advocates through Community Action Marin—the County's largest private social services agency, which, among other work, hires and provides job coaching to employees with mental illness.

What makes the Marin Housing's program unique from other S+C programs around the country is that the entire team, including the case managers, clinical supervisor, Peer Advocates, and the Housing Eligibility Specialist, sits together under one roof, cutting through the bureaucratic red tape. "Having a case management team within the Housing Authority organization has really streamlined the housing lease-up process for both the tenant and landlord. Landlords are more willing to accept a tenant with poor credit and no recent rental history because they know they can get help if there is a tenancy issue," states June Miyake, Director of Supportive Housing.

During the last reporting period, 95 percent of the households in Marin Housing's S+C Program retained housing for six months or longer, while 55 percent have been successfully housed for over five years. Of those who left during the reporting period, 90 percent had been housed for over six months. Some of the households who exited the program left because they received Section 8 vouchers and chose that program, creating opportunities for the Housing Authority to take in more homeless households through the S+C Program.

During the last reporting period, 95 percent of the households in Marin Housing's S+C Program retained housing for six months or longer, while 55 percent have been successfully housed for over five years.

Tiar and Randy, S+C participants enjoying the annual client picnic

Reed, a longtime S+C Peer Advocate, with Advocate Program supervisor Eileen

"Most of our clients are severely and persistently mentally ill and have been on the streets for years with little to no services. Sometimes it takes a few tries before they feel safe accepting wrap-around services."

– Mimi Griffin, S+C case manager at Marin Housing

Bethany Powell, a S+C participant since 2002, states that the wrap-around intensive case management services for herself and two children kept her stable. Bethany was born to drug-addicted parents and suffered major early childhood trauma, resulting in post-traumatic stress disorder (PTSD), bipolar disorder, and major depression. As a young adult with two small children, she faced multiple obstacles including her own addiction to drugs, incarceration, and domestic violence. She ended up in a homeless shelter and eventually found herself in the S+C Program. Shortly after entering the Program, despite having a roof over her head, Bethany ended up relapsing, going to jail, losing custody of her kids, and losing her housing. After completing a residential treatment program for drug addiction, she was able to come back into the S+C Program. This time, she accepted the wrap-around support from the Shelter Plus Care Team and has remained sober, regained a positive relationship with her children, and has been successfully housed for over eight years.

Bethany's longtime S+C case manager, Mimi Griffin, states that Bethany's relapse and her nonlinear path to sobriety and housing stability is not unique. "Most of our clients are severely and persistently mentally ill and have been on the streets for years with little to no services. Sometimes it takes a few tries before they feel safe accepting wrap-around services. Living on the streets makes you hyper vigilant out there and distrusting of everyone." Bethany says that the S+C Program provided her a safe place to be in order to stabilize her life. "I had to take a lot of side swings along the way, but I always made it back on track," she states. Bethany is currently an active member of the Marin Housing's Shelter Plus Care Advisory Board and provides valuable insight and experience for setting policies and procedures.

Retooling the Homeless Crisis Response System

For decades, the homeless crisis response system has taken a linear form: street outreach to emergency shelter to transitional housing to permanent housing. People experiencing homelessness have progressed through the four levels of care as they have been deemed "ready." For example, sobriety has been required for admission to shelters, and treatment compliance has been expected for admission to transitional housing. In the past decade, many communities have replaced this "housing ready" model with the Housing First approach, focused on preventing homelessness and rapidly returning people experiencing homelessness to housing. As communities make this shift, they are reassessing the ways that they use their resources.

Housing authorities, too, are adopting new priorities and taking on new roles. But retooling the crisis response system involves more than just adopting best practices of increased investments in permanent supportive housing and rapid rehousing for families. It means ensuring that all program administration is efficient and effective in helping people experiencing homelessness to achieve the outcome of permanent housing quickly and successfully. This requires consideration of potential barriers that people experiencing homelessness might face, whether in admissions, application processing, the housing search process, or any other point leading to securing housing. It entails adapting protocols and streamlining procedures to eliminate such barriers. In order to address the needs of those experiencing homelessness, housing authorities are transforming the ways that they do business.

Home Forward

SHORT-TERM RENT ASSISTANCE PROGRAM

> "Housing is the key to everything. Because you can't do anything until you have a place to live. It's the foundation for everything."
>
> — Jenny Child, case manager at Independence Northwest

Designed to respond quickly when homelessness threatens an individual or family, Home Forward's Short-Term Rent Assistance (STRA) program provides housing subsidies for up to two years to households experiencing or at risk of homelessness. STRA was created in 2006 to unify the short term rental assistance programs that were previously operated separately by Multnomah County, the cities of Portland and Gresham, and Home Forward. Now the four jurisdictions pool their money for the program, which is administered by Home Forward.

Funds are contracted to local agencies, which also are required to provide services to help families stabilize. In 2013, 18 non-profits and public agencies distributed $4 million in rental assistance to the homeless and near-homeless. To participate in the program, households must have incomes at or below 50 percent of the annual area median income, which was $34,700 for a family of four in 2012. Those who qualify are eligible for emergency hotel vouchers, rapid rehousing, and eviction prevention assistance.

The housing, in turn, provides stability and allows clients to get daycare, find jobs, and go to school. "Housing is the key to everything," says Jenny Child, a case manager for service provider Independence Northwest who estimates that nearly two dozen of her clients have received rental assistance from the program. "Because you can't do anything until you have a place to live. It's the foundation for everything."

The program's goal is to ensure that at least 70 percent of families retain their housing for a year after their subsidy ends. From July 2006 through December 2011, 6,480 households received rent assistance for an average of three months. In 2013, 76 percent of participants were still housed 12 months after their assistance ended.

Local housing officials say the program has dramatically changed the way short term rental assistance is provided in the Portland area. Because STRA is administered by a single entity, instead of four, the distribution of funds is more efficient. Administrative costs have dropped significantly. And the agencies that provide assistance now have uniform goals, eligibility rules, and data collection requirements.

"Rent assistance is a flexible tool that can be used to tailor support for clients," says Steve Rudman, Executive Director of Home Forward. "When we combine it with wrap-around services, families can stabilize much more quickly. And we end up spending less on rental assistance than in traditional programs."

Short-term assistance won't work for everyone. But focusing scarce resources on short-term subsidies, paired with services, provides help for more households over the long term. "When we opened up the Section 8 waiting list for the first time in years, we got 21,000 applications in the first week," Rudman says. "We can maybe assist 3,000 in the next five years." Through STRA, Home Forward and its partners can likely help another 6,500 households. Rudman acknowledges that STRA doesn't offer permanent affordability. But given the reality of limited resources, he believes that housing stability is an equally important metric.

In August 2012, after his second layoff, Andre Nabors didn't have a job or enough money to pay the rent. But, with guidance from Self Enhancement Inc., he was buoyed by Home Forward's STRA program, which paid for his apartment while he looked for a new job. Andre, a 53-year-old father of two sons, is now a bus driver with good pay and benefits. The rent assistance program gave him time to find work without worrying about whether he would be evicted. It also allowed him to remain a part of his community. "I'm still with my neighbors," Andre says. "I'm still part of that building. We're a little tight-knit apartment complex."

In 2011, Jasmine[1] escaped her abusive husband with an infant, a toddler, and no safety net. She spoke limited English and had no family for support. "I was alone," she says, "without a job and with two daughters." But Jasmine was fortunate. When she sought help at Catholic Charities, the agency helped pay her rent for five months through Home Forward's STRA program. This allowed her to use her limited resources to pay for childcare and monthly bills while she secured stable employment, started community college, and, ultimately, turned her life around.

"What the rent assistance enabled me to do, it created space for me to organize my life for myself and my children," she says. Jasmine and her daughters, who are now 4 and 2, didn't require a long-term rent subsidy. By June 2012, she had a job and began to focus on career opportunities. She studied math and college-level English and hopes to learn more about accounting. Jasmine and her daughters live in a two-bedroom apartment in Gresham, east of Portland.

Now she tells her friends about the STRA program. She knows, first-hand, the difference it can make. "This help is very important for those of us who truly need it. It's saved many of us."

STRA INDIVIDUALS AND HOUSEHOLDS SERVED BY YEAR

YEAR	INDIVIDUALS	HOUSEHOLDS	HOUSING RETENTION All STRA 12-Months Post-Assistance
2008-2009 Full Year Total	3,911	1,715	78%
2009-2010 Full Year Total	5,605	2,299	74%
2010-2011 Full Year Total	5,728	2,365	73%
2011-2012 Full Year Total	5,787	2,416	78%
2012-2013 Full Year Total	6,666	2,655	76%

1 Because she is a survivor of domestic violence, Jasmine is a pseudonym.

Oklahoma City Housing Authority

100,000 HOMES OKC

OCHA rigorously trained its team members on completing required paperwork so that, now, a 100,000 Homes OKC client can go to the Housing Authority with their case manager in the morning and walk out with a voucher in time to grab lunch.

In August 2012, the Oklahoma City Housing Authority (OCHA) joined a group of homeless service providers participating in a week-long boot camp in Kansas City to learn about the national 100,000 Homes Campaign. This national movement encourages the use of the Housing First model to move chronically homeless, medically vulnerable, unsheltered people directly into housing without preconditions. The Oklahoma City contingent included a major charitable foundation, as well as representatives from municipal government, a mental health and substance abuse provider, a homeless services provider, and the local Veterans Administration.

Oklahoma City spends $28 million annually on homelessness and the chronically homeless—almost all of which are incurred by nontraditional providers, such as the police, fire department, ambulance service, local hospitals and their emergency departments, and the county jail. Other communities that have implemented Housing First have drastically reduced their cost of chronic homelessness, some by as much as 70 percent.

The most critical step to implementing the 100,000 Homes program in a community is lining up the supply of housing and services. This was where OCHA's leadership proved critical. Oklahoma City's team of 35 government, faith-based, and non-profit agencies—collectively 100,000 Homes OKC—would provide the services the homeless would need to sustain housing, but for the program to work, a community has to be able to quickly take someone directly from the streets and put them into housing. OCHA pledged up to seven Housing Choice Vouchers per month from its turnover pool to the effort, and then the Housing Authority took the bold step of waiving all but the federally-mandated requirements to qualify for housing. Moreover, OCHA rigorously trained its team members on completing required paperwork so that, now, a 100,000 Homes OKC client can go to the Housing Authority with their case manager in the morning and walk out with a voucher in time to grab lunch.

Perhaps equally important to the success of the initiative was simply the "moral authority" that OCHA's participation brought to the initiative. "Prior to 100,000 Homes, no agency in Oklahoma City was using the Housing First model, and many traditional providers felt strongly that it was destined to fail. To have the Housing Authority willing to roll the dice on the program in the face of not insignificant opposition not only enabled us to start the program but was key to recruiting the team we have now," says OCHA Executive Director Mark Gillett.

The team began housing people immediately following the homelessness surveys in January 2013. As of July 31, 2013, 100,000 Homes OKC has housed 151 chronically homeless, medically vulnerable, previously unsheltered people. This represents 48 percent of Oklahoma City's total chronic homeless population. Only two have fallen out of the program. While there aren't valid cost data after only six months, anecdotally, the Oklahoma City experience appears to mirror the national trend of drastically reducing the cost of homelessness.

Aubrey Sutton, housed by 100,000 Homes OKC

Randy, Janet, and their daughter Christa, housed by 100,000 Homes OKC

Jeff Dillard, 44, was one of the first chronically homeless people housed under the 100,000 Homes program in Oklahoma City. Like Boopsie, the dog he took in from the streets, Jeff bears scars from the past. He has a mark on his shaved head from a brain injury suffered in a construction accident in Phoenix years ago. He also has a scar from when another homeless man attacked him with a knife after Jeff refused to hand over his cigarettes.

Being in a home—and being connected to services—has helped him focus on the future. "I couldn't have told you before what day or month it was because my mind was more on where am I going to be tonight, what's going to happen tomorrow?" Jeff says. "I was drinking a lot and was getting in trouble. Every day that was on my agenda—I had to drink, get drunk to forget about the way my life was," he recalls. "You won't find any liquor in here."

Since entering housing and receiving supportive services, Jeff has reconnected with his family. "My family didn't even matter to me," Jeff recalls. "They weren't helping me out unless it was my birthday. Now I understand why." The goal now is to prove to his mother that he can stay housed. "I was aggravated. Now I know I'm lucky to have what I have," he remarks, before turning to Boopsie, "Lucky to have friends."

"I couldn't have told you before what day or month it was because my mind was on more where am I going to be tonight, what's going to happen tomorrow?"

– Jeff Dillard, housed under the 100,000 Homes Campaign in Oklahoma City

VETERAN HOMELESSNESS

NATIONAL COALITION FOR HOMELESS VETERANS

By Baylee Crone, Vice President, Operations and Programs

On a single night in January 2012, 62,619 veterans were homeless. Homeless veterans represent 13 percent of the adult homeless population and are highly concentrated in urban areas of California, New York, Texas, and Florida. In 2009, President Obama committed his Administration to ending homelessness, with a focus on rapidly ending homelessness among veterans. The 2010 *Federal Strategic Plan to Prevent and End Homelessness* provided an outline for meeting this goal within five years. VA Secretary Shinseki has operationalized this plan, defining concrete strategies to end veteran homelessness by 2015.

Since 2009, the number of homeless veterans has declined by 17.2 percent. Efforts to strategically build up major homeless assistance programs, increase VA staffing to meet targeted needs, and improve local collaboration between service providers and government partners have contributed to this decline.

In a challenging fiscal climate, HUD, the VA, and the U.S. Department of Labor have maintained and expanded federal grant programs offering housing, supportive services, and employment assistance. The VA has hired staff members at nearly every VA Medical Center or Regional Office to support Operation Iraqi Freedom and Operation Enduring Freedom (OIF/OEF) veterans, veterans with polytrauma, women veterans, and veterans in Grant and Per Diem (GPD) transitional or HUD-Veterans Affairs Supportive Housing (VASH) permanent supportive housing programs. National level data integration between HUD and the VA and local level coordinated planning initiatives mean that funding is better matched to local needs. These efforts continue to drive down homelessness numbers and are increasingly focused on the risk factors that precipitate homelessness for veterans.

Risk factors for veterans include those common among homeless populations, as well as those related more directly to military service. Experiences before entering the military and demographics can significantly impact the risk of homelessness for veterans. Childhood abuse, involvement with the foster care system, or other episodes of trauma each increase the likelihood of experiencing homelessness later in life. Demographic factors, including being male, aged 40-64, and African American can also increase risk. Mental health diagnoses impact risk level; these include diagnosed schizophrenia, bipolar disorder, personality disorders, and alcohol or drug use disorders. These factors can contribute to but do not fully predict homelessness, especially for special needs subsets within the homeless and at-risk veteran population.

A subset of the veteran population with a complicated but critically important risk profile is aging low-income veterans. Americans over 50 experience more rapid increases in homelessness than any other age bracket. From 2002 to 2008, the percentage of homeless veterans in the 45-60 age bracket increased at a faster rate than this same age group within the overall veteran population, showing that as veterans age, increased numbers of them experience homelessness. This trend is expected to continue, with the largest subset of homeless veterans predicted to be the 70-74 age bracket by 2020. The service providers assisting these veterans must address barriers related to homelessness as well as aging. For aging veterans, loss of a loved one and atrophied social support networks increase risk, especially for those who are low-income and have dementia, depression, cardiovascular disease, obesity, or diabetes.

OIF/OEF veterans represent a second distinct subset of veterans who are experiencing or are at risk of homelessness. A diagnosis of bipolar disorder, depression, or schizophrenia among this population increases homelessness risk by up to three times. Many are living in urban areas and have low incomes, which increases risk. This group of veterans, especially the 18-24 and 25-29 age cohorts, experience high and fluctuating unemployment that fosters income instability.

A third special needs subset, women veterans, are three times more likely than women non-veterans to experience homelessness. This population may come from a larger group of unstably housed women veterans who more frequently enter and exit homelessness. Certain factors can contribute to homelessness for this group, including unemployment; poor health; trauma; and diagnosed anxiety, depression, or other disabling conditions. For those with military sexual trauma (MST), including the 53 percent of homeless women veterans who report experiencing this trauma during their service, preventing homelessness and providing a pathway out of homelessness requires targeted treatment planning and trauma-informed care services.

Veterans of all ages and backgrounds have dedicated themselves to the protection of our safety and freedoms. It is imperative that we serve those who served by working to end and prevent veteran homelessness.

NATIONAL COALITION *for* HOMELESS VETERANS

The National Coalition for Homeless Veterans (NCHV) is the resource and technical assistance center for a national network of community-based service providers and local, state and federal agencies that provide emergency and supportive housing, food, health services, job training and placement assistance, legal aid and case management support for hundreds of thousands of homeless veterans each year.

District of Columbia Housing Authority

VASH PLUS

In just one day, the District of Columbia Housing Authority (DCHA) can find an eligible, homeless veteran a safe and comfortable place to call home—making it an award-winning national model that is studied by other housing authorities throughout the country.

The HUD-Veterans Affairs Supportive Housing (VASH) program combines Housing Choice Voucher (HCV) rental assistance with case management and clinical services provided by the VA at VA Medical Centers (VAMCs) and community-based outreach clinics. Homeless veterans in DC are screened by the VA and then referred to DCHA.

When the program was established in 2008, it could take up to six months from the point a homeless veteran was identified by the VA to the point where the veteran was able to secure a suitable dwelling utilizing their voucher. “We found many of the veterans were having trouble completing the required VASH paperwork,” says Ronald M. McCoy, Director of DCHA’s Housing Choice Voucher program. “We found they were not attending eligibility meetings and orientation briefings, and once a VASH voucher was issued, the veterans could not locate adequate housing on their own prior to their voucher time expiring.”

In response, DCHA partnered with other local agencies and community organizations to develop VASH Plus, a rapid VASH housing model that has dramatically reduced client wait time from application to voucher-issuance. Key to this success has been strategic collaboration and the effective use of technology and communication.

McCoy and his colleagues examined the VASH process and found ways to reduce administrative time, as well as ways to bring housing options to veterans instead of leaving them to find suitable housing on their own.

DCHA cross-trained the DC Department of Human Services (DHS) on applicant documentation processes, helping veterans to complete their paperwork prior to meeting with housing officials. DHS works in coordination with the VAMC to customize the delivery and scope of clinical and case management services, allowing both the ability to refer clients to DCHA’s VASH program.

The Housing Authority also partnered with the Community Partnership for the Prevention of Homelessness, an organization that manages DC’s Continuum of Care, and with DHS to conduct outreach with area landlords to create an inventory of units available to veterans. DCHA created a Landlord Advisory Committee, which

DCHA partnered with other local agencies and community organizations to develop VASH Plus, a rapid VASH housing model that has dramatically reduced client wait time from application to voucher-issuance.

now has 600 landlords representing thousands of rental units. DCHA routinely promotes VASH rentals with this group.

“Landlords with available units are now more receptive,” McCoy says. “That new relationship allowed us to ask landlords to lower their normal tenant screening criteria and/or security deposits to enable the veterans to be easily selected for tenancy. As a generous sign of support for the vets, some landlords waived security deposits altogether.”

In the District, the program pays an average of $936 per month toward a veteran’s rent. DCHA was able to expedite leasing rent negotiations by developing a unique way of determining and posting reasonable rents to landlords in all areas of the city, which are then posted on its website.

To facilitate coordination and data tracking, DCHA worked with DHS and the District’s Office of the Chief Technology Officer to develop customized computer software that all of the coordinating agencies can access. The system tracks veteran identification, unit approvals, and client files moving throughout the process, reducing the time required to transfer files back and forth through agencies. Rather than the traditional linear approach, the voucher approval and lease-up processes can progress simultaneously.

As of 2013, more than 800 veterans in DC have been housed successfully with VASH vouchers. In addition to housing the veterans, DCHA hosts a myriad of events throughout the year to connect them with additional employment, case management, and skills training.

DCHA brings military veterans together with service agencies who offer employment, case management, and skills training.

Tricia Richardson served four and a half years in the Army, including one year in Iraq. During a military exercise, she sustained serious injuries that left her with five fractured bones in her face. After discharging from the Army, Tricia remained unemployed for three years, and she and her children lived out of her car for a year.

Their prospects changed when she learned about DCHA's VASH program. The Housing Authority and its partners were able to get her family into housing and provide supportive services. Tricia and her three sons now live in an apartment in Northeast DC.

CLPHA

The Council of Large Public Housing Authorities supports the nation's largest and most innovative housing authorities by advocating for the resources they need to solve local housing challenges and create communities of opportunity.

CLPHA is a non-profit organization that works to preserve and improve public and affordable housing through advocacy, research, policy analysis, and public education.

CLPHA's nearly 70 members represent virtually every major metropolitan area in the country. Together they manage almost half of the nation's multi-billion dollar public housing stock; administer a quarter of the Housing Choice Voucher program; and operate a wide array of other housing programs.

Housing authorities are the cornerstone of affordable housing and community development. CLPHA:

- Advocates for adequate public and assisted housing funding and policies that support local management and accountability.
- Develops and analyzes policies impacting the affordable housing community.
- Educates policymakers and the public about the critical role public housing and the voucher program play in meeting affordable housing needs.

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