

**NOTICE OF PUBLIC HEARING FOR
THE ELM CITYCOMMUNITIES, HOUSING AUTHORITY OF NEWHAVEN (ECC/HANH)
PROPOSED AMENDMENT TO THE LIPH ADMISSION AND CONTINUED OCCUPANCY PLAN (ACOP) AND HCV
ADMINISTRATIVE PLAN (ADMIN PLAN)**

Elm City Communities, the Housing Authority of the City of New Haven (ECC/HANH) is proposing to amend sections of its Low-Income Public Housing Admissions and Continued Occupancy Policy (ACOP) and the Housing Choice Voucher (HCV) Administrative Plan (Admin Plan).

The thirty (30) days comment period begins on **Monday, September 29, 2025, and ends on Tuesday, October 28, 2025**. Copies of the amendment to the ACOP and the Administrative Plan will be available on the agency website www.elmcitycommunities.org or via Facebook, www.facebook.com/ElmCityCommunities and Instagram, elmcitycommunities_hanh.

You are invited to provide written comments addressed to:
ECC/HANH, ACOP & Admin Plan Revisions;
Attn: Evelise Ribeiro, 360 Orange Street, New Haven, CT 06511 or via email to:
eribeiro@elmcitycommunities.org.

A public hearing where public comments will be accepted and recorded is scheduled **for Monday, October 27, 2025, 3:00pm**, via TEAMS.

ID: 298 581 151 620 1
Passcode: WP7wr6tg
Dial in by phone
+1 872-240-4494, 747 680 648# United States, Chicago
Find a local number
Phone conference ID: 747 680 648#

Any individual requiring a Reasonable Accommodation to participate in the hearing may call the Reasonable Accommodation Manager (203) 498-8800, ext. 1507 or at the TDD Number (203) 497-8434.

**AVISO DE AUDIENCIA PÚBLICA PARA
ELM CITYCOMMUNITIES, AUTORIDAD DE VIVIENDA DE NEWHAVEN (ECC / HANH) PROPUESTA DE
ENMIENDA AL PLAN DE ADMISIÓN Y OCUPACIÓN CONTINUADA (ACOP) DE LA LIPH
Y AL PLAN ADMINISTRATIVO DE AVC (PLAN ADMIN)**

Elm City Communities, la Autoridad de Vivienda de la Ciudad de New Haven (ECC / HANH) está proponiendo revisar secciones de su Política de Admisiones de Vivienda Pública de Bajos Ingresos y Ocupación Continuada (ACOP) y el Plan Administrativo de Vales de Elección de Vivienda (HCV) (Admin. Plan).

El período de treinta (30) días para presentar comentarios comienza el lunes 29 de septiembre de 2025 y finaliza el martes 28 de octubre de 2025. Copias de la enmienda al ACOP y al Plan Administrativo estarán disponibles en el sitio web de la agencia, www.elmcitycommunities.org, o a través de Facebook, www.facebook.com/ElmCityCommunities e Instagram, [elmcitycommunities_hanh](https://www.instagram.com/elmcitycommunities_hanh).

Le invitamos a enviar sus comentarios por escrito a: ECC/HANH, ACOP y Revisiones del Plan Administrativo; Atención: Evelise Ribeiro, 360 Orange Street, New Haven, CT 06511, o por correo electrónico a: eribeiro@elmcitycommunities.org.

Se ha programado una audiencia pública para el lunes 27 de octubre de 2025 a las 15:00 h, a través de TEAMS, donde se aceptarán y grabarán los comentarios del público.

ID: 298 581 151 620 1

Contraseña: WP7wr6tg Llamar por teléfono

+1 872-240-4494, 747 680 648# Estados Unidos, Chicago

Buscar un número local

ID de conferencia telefónica: 747 680 648#

Cualquier persona que requiera una adaptación razonable para participar en la audiencia puede llamar al Gerente de Adaptaciones Razonables al (203) 498-8800, ext. 1507 o al número TDD (203) 497-8434. Cualquier persona que requiera una adaptación razonable para participar en la audiencia puede llamar al Gerente de Adaptaciones Razonables al (203) 498-8800, ext. 1507 o al número TDD (203) 497-8434.

Chapter 2

FAIR HOUSING AND EQUAL OPPORTUNITY

INTRODUCTION

This chapter explains the laws and HUD regulations requiring ECC/HANH to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and procedures. The responsibility to further nondiscrimination pertains to all areas of ECC/HANH's public housing operations.

This chapter describes HUD regulations and ECC/HANH policies related to these topics in three parts:

Part I: Nondiscrimination. This part presents the body of laws and regulations governing the responsibilities of ECC/HANH regarding nondiscrimination.

Part II: Policies Related to Persons with Disabilities. This part discusses the rules and policies of the public housing program related to reasonable accommodation for persons with disabilities. These rules and policies are based on the Fair Housing Act (42.U.S.C.) and Section 504 of the Rehabilitation Act of 1973, and incorporate guidance from the Joint Statement of The Department of Housing and Urban Development and the Department of Justice (DOJ), issued May 17, 2004.

Part III: Prohibition of Discrimination Against Limited English Proficiency Persons. This part details the obligations of ECC/HANH to ensure meaningful access to the Public Housing program and its activities by persons with limited English proficiency (LEP). This part incorporates the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons published January 22, 2007, in the *Federal Register*.

PART I: NONDISCRIMINATION

2-I.A. OVERVIEW

Federal laws require ECC/HANH to treat all applicants and tenant families equally, providing the same quality of service, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. In addition, HUD regulations provide for additional protections regarding sexual orientation, gender identity, and marital status. ECC/HANH will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012 and further clarified in Notice PIH 2014-20
- The Violence against Women Act of 2013 (VAWA)
- Housing Provisions of the Violence Against Women Act (VAWA) Reauthorization Act of 2022
- Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted

When more than one civil rights law applies to a situation, the laws will be read and applied together.

ECC/HANH Policy

The State of Connecticut has established creed, ancestry and marital status as protected classes, in addition to the Federal and HUD protections. The state of Connecticut also prohibits discrimination based on income source.

2-I.B. NONDISCRIMINATION

Federal regulations prohibit discrimination against certain protected classes and other groups of people. State and local requirements, as well as ECC/HANH policy, can prohibit discrimination against additional classes of people.

ECC/HANH shall not discriminate because of race, color, sex, religion, familial status, marital status, gender identity, sexual orientation, age, disability, income source, or national origin as established by federal and state laws (called protected classes).

Familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18.

ECC/HANH will not discriminate on the basis of marital status, gender identity, or sexual orientation [FR Notice 02/03/12].

ECC/HANH will not use any of these factors to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the public housing program
- Provide housing that is different from that provided to others
- Subject anyone to segregation or disparate treatment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or tenant toward or away from a particular area based on any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class

Providing Information to Families

ECC/HANH must take steps to ensure that families are fully aware of all applicable civil rights laws. As part of the public housing orientation process, ECC/HANH will provide information to public housing applicant families about civil rights requirements.

Discrimination Complaints

If an applicant or tenant family believes that any family member has been discriminated against by ECC/HANH, the family should advise ECC/HANH. HUD ECC/HANH to make every reasonable attempt to determine whether the applicant or tenant family's assertions have merit and take any warranted corrective action.

In all cases, ECC/HANH may advise the family to file a fair housing complaint if the family feels they have been discriminated against under the Fair Housing Act.

Upon receipt of a housing discrimination complaint, ECC/HANH is required to:

- Provide written notice of the complaint to those alleged and inform the complainant that such notice was made
- Investigate the allegations and provide the complainant and those alleged with findings and either a proposed corrective action or an explanation of why corrective action is not warranted
- Keep records of all complaints, investigations, notices, and corrective actions [Notice PIH 2014-20]

ECC/HANH Policy

Applicants or tenant families who believe that they have been subject to unlawful discrimination may notify ECC/HANH either orally or in writing.

Within 10 business days of receiving the complaint, ECC/HANH will provide a written notice to those alleged to have violated the rule. ECC/HANH will also send a written notice to the complainant informing them that notice was sent to those alleged to have violated the rule, as well as information on how to complete and submit a housing discrimination complaint form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

ECC/HANH will attempt to remedy discrimination complaints made against ECC/HANH and will conduct an investigation into all allegations of discrimination.

Within 10 business days following the conclusion of ECC/HANH's investigation, ECC/HANH will provide the complainant and those alleged to have violated the rule with findings and either a proposed corrective action plan or an explanation of why corrective action is not warranted.

ECC/HANH will keep a record of all complaints, investigations, notices, and corrective actions. (See Chapter 16.)

PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES

2-II.A. OVERVIEW

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy the program or dwelling under the program.

ECC/HANH must ensure that persons with disabilities have full access to ECC/HANH's programs and services. This responsibility begins with the first inquiry of an interested family and continues through every programmatic area of the public housing program [24 CFR 8].

ECC/HANH must provide a notice to each tenant that the tenant may, at any time during the tenancy, request a reasonable accommodation for a disability of a household member, including reasonable accommodation so that the tenant can meet lease requirements or other requirements of tenancy [24 CFR 966.7(b)].

ECC/HANH Policy

ECC/HANH will ask all applicants and resident families if they require any type of accommodation, in writing, on the intake application, reexamination documents, and notices of adverse action by ECC/HANH, by including the following language:

“If you or anyone in your family is a person with disabilities, and you require a specific reasonable accommodation in order to fully utilize our programs and services, please contact ECC/HANH staff or the Reasonable Accommodation Manager.”

The family may complete and submit the Reasonable Accommodation request form, or may request a reasonable accommodation orally, and the request will be passed on to the designated staff person, the Reasonable Accommodation Manager.

ECC/HANH will display posters and other housing information and signage in locations throughout ECC/HANH offices in such a manner as to be easily readable from a wheelchair.

2-II.B. DEFINITION OF REASONABLE ACCOMMODATION

A “reasonable accommodation” is a change, exception, or adjustment to a policy, practice or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Since policies and services may have a different effect on persons with disabilities than on other persons, treating persons with disabilities the same as others will sometimes deny them an equal opportunity to use and enjoy a dwelling. [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the PHA or result in a "fundamental alteration" in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider's operations.

Types of Reasonable Accommodations

When it is reasonable (see definition above and Section 2-II.E), ECC/HANH shall accommodate the needs of a person with disabilities. Examples include but are not limited to:

- Permitting applications and reexaminations to be completed by mail
- Providing "large-print" forms
- Conducting home visits
- Permitting a higher utility allowance for the unit if a person with disabilities requires the use of specialized equipment related to the disability
- Modifying or altering a unit or physical system if such a modification or alteration is necessary to provide equal access to a person with a disability
- Installing a ramp into a dwelling or building
- Installing grab bars in a bathroom
- Installing visual fire alarms for hearing impaired persons
- Allowing an ECC/HANH-approved live-in aide to reside in the unit if that person is determined to be essential to the care of a person with disabilities, is not obligated for the support of the person with disabilities and would not be otherwise living in the unit.
- Providing a designated handicapped-accessible parking space
- Allowing a service or assistance animal
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with ECC/HANH staff
- Displaying posters and other housing information in locations throughout the ECC/HANH office in such a manner as to be easily readable from a wheelchair

2-II.C. REQUEST FOR AN ACCOMMODATION

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HUD requires that ECC/HANH treat the information as a request for a reasonable accommodation, even if no formal request is made [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

The family must explain what type of accommodation is needed to provide the person with the

disability full access to ECC/HANH's programs and services.

If the need for the accommodation is not readily apparent or known to ECC/HANH, the family must explain the relationship between the requested accommodation and the disability.

ECC/HANH Policy

ECC/HANH will encourage the family to make its request in writing using a reasonable accommodation request form. However, ECC/HANH will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

2-II.D. VERIFICATION OF DISABILITY

The regulatory civil rights definition for persons with disabilities is provided in Exhibit 2-1 at the end of this chapter. The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list preferences and income allowances.

Before providing an accommodation, ECC/HANH must determine that the person meets the definition of a person with a disability, and that the accommodation is necessary for a family to have access to ECC/HANH's programs and services.

If a person's disability is obvious or otherwise known to ECC/HANH, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to ECC/HANH, ECC/HANH must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, ECC/HANH will follow the verification policies provided in Chapter 7. All information related to a person's disability will be treated in accordance with the confidentiality policies provided in Chapter 16 (Program Administration). In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].
- ECC/HANH must request only information that is necessary to evaluate the disability-related need for the accommodation. ECC/HANH may not inquire about the nature or extent of any disability.

- Medical records will not be accepted or retained in the tenant file.
- In the event that ECC/HANH does receive confidential information about a person's specific diagnosis, treatment, or the nature or severity of the disability, ECC/HANH will dispose of it. In place of the information, ECC/HANH will note in the file that the disability and other requested information have been verified, the date the verification was received, and the name and address of the knowledgeable professional who sent the information [Notice PIH 2010-26].

2-II.E. APPROVAL/DENIAL OF A REQUESTED ACCOMMODATION [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act, Notice PIH 2010-26]

ECC/HANH must approve a request for an accommodation if the following three conditions are met.

- The request was made by or on behalf of a person with a disability.
- There is a disability-related need for the accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on ECC/HANH, or fundamentally alter the nature of ECC/HANH's operations.

Requests for accommodations must be assessed on a case-by-case basis. The determination of undue financial and administrative burden must be made on a case-by-case basis involving various factors, such as the overall size of ECC/HANH's program with respect to the number of employees, type of facilities and size of budget, type of operation including composition and structure of workforce, the nature and cost of the requested accommodation, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve the request, ECC/HANH may enter into discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that ECC/HANH may verify the need for the requested accommodation.

ECC/HANH Policy

Requests will be acted on promptly; a person can generally expect a response within 30 days of submission of the reasonable accommodation request. Circumstances that may cause a delay in processing include but are not limited to: delay in obtaining verification of the need for the reasonable accommodation, or failure of the family to clearly specify the requested accommodation or to provide the name and address of their designated verification source.

An approved reasonable accommodation will not be re-verified by ECC unless the Family demonstrates that the accommodation is no longer required for a disability. In such cases, ECC will enter into communications with the Family about the continued need for the accommodation.

If the family fails to specify the requested accommodation, provide the name and address of their verifications source, or provide requested verification to ECC/HANH, ECC/HANH will notify the family and inform the family that ECC/HANH is unable to make a determination.

If ECC/HANH denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of ECC/HANH's operations), ECC/HANH will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs

without a fundamental alteration to the public housing program and without imposing an undue financial and administrative burden.

If ECC/HANH believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, HANH will notify the family, in writing, of its determination within 10 business days from the date of ECC/HANH's determination of denial. The notice will inform the family of the right to appeal ECC/HANH's decision through an informal hearing (if applicable) or the grievance process (Chapter 14) and will also notify the family that they may appeal to HUD and provide information on how to do so.

If ECC/HANH believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, ECC/HANH will notify the family, in writing, of its determination within 10 business days from the date of ECC/HANH's determination of denial. The notice will inform the family of the right to appeal ECC/HANH's decision through an informal hearing (if applicable) or the grievance process (see Chapter 14).

2-II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS

HUD regulations require ECC/HANH to take reasonable steps to ensure that persons with disabilities related to hearing and vision have reasonable access to ECC/HANH's programs and services [24 CFR 8.6].

At the initial point of contact with each applicant, ECC/HANH shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

ECC/HANH Policy

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display / teletype) communication will be available.

To meet the needs of persons with vision impairments, large-print and audio versions of key program documents will be made available upon request. When visual aids are used in public meetings or presentations, or in meetings with ECC/HANH staff, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third-party representative (a friend, relative or advocate, named by the applicant or tenant) to receive, interpret and explain housing materials and be present at all meetings.

Large print notices will be posted in central and local offices informing families of the availability of such accommodations, and staff will explain the availability of these accommodations during face-to-face meetings.

2-II.G. PHYSICAL ACCESSIBILITY

ECC/HANH must comply with a variety of regulations pertaining to physical accessibility, including

- Notice PIH 2010-26
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

ECC/HANH's policies concerning physical accessibility must be readily available to applicants and resident families. They can be found in three key documents.

- This Admissions and Continued Occupancy Policy, which describes the key policies that govern the ECC/HANH's responsibilities with regard to physical accessibility.
- Notice PIH 2010-26 summarizes information about pertinent laws and implementing regulations related to nondiscrimination and accessibility in federally-funded housing programs.
- The ECC/HANH Plan provides information about self-evaluation, needs assessment, and transition plans.

The design, construction, or alteration of ECC/HANH facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Notice PIH 2010-26 contains specific information on calculating the percentages of units for meeting UFAS requirements.

Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the public housing program.

2-II.H. DENIAL OR TERMINATION OF ASSISTANCE

ECC/HANH's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 966.7].

When applicants with disabilities are denied assistance, the notice of denial must inform them of their right to request an informal hearing [24 CFR 960.208(a)].

When a family's lease is terminated, the notice of termination must inform the family of their right to request a hearing in accordance with ECC/HANH's grievance process [24 CFR 966.4(l)(3)(ii)].

When reviewing reasonable accommodation requests, ECC/HANH must consider whether reasonable accommodation will allow the family to overcome the problem that led to the ECC/HANH's decision to deny or terminate assistance. If a reasonable accommodation will

allow the family to meet the requirements, ECC/HANH must make the accommodation [24 CFR 966.7].

In addition, ECC/HANH must provide reasonable accommodation for persons with disabilities to participate in the hearing process [24 CFR 966.56(h)].

PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)

2-III.A. OVERVIEW

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the public housing program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Final Guidance to Federal Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007, in the *Federal Register*.

ECC/HANH will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).

LEP persons are defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this Admissions and Continued Occupancy Policy, LEP persons are public housing applicants and resident families, and parents and family members of applicants and resident families.

In order to determine the level of access needed by LEP persons, ECC/HANH will balance the following four factors: (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the public housing program; (2) the frequency with which LEP persons come into contact with the program; (3) the nature and importance of the program, activity, or service provided by the program to people's lives; and (4) the resources available to ECC/HANH and costs. Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on ECC/HANH.

ECC/HANH Policy

Affirmative Measures for Spanish Speaking LEP Persons

As a result of ECC/HANH's analysis of (1) the number and proportion of LEP persons serviced or encountered in ECC/HANH's eligible service population, and (2) the frequency with which LEP persons come into contact with ECC/HANH's programs, ECC/HANH has determined that ECC/HANH has particular obligations to ensure communication with Spanish-speaking persons.

Accordingly, it is ECC/HANH's policy that ECC/HANH will provide bilingual Spanish-speaking staff as necessary to provide oral language/interpreter services for Spanish-speaking LEP applicants, program participants, or other members of the public interested in ECC/HANH's services.

ECC/HANH will provide the following vital documents in both English and Spanish:

- Pre-applications and full applications
- Recertification materials
- The public housing lease (recognizing that HUD states that the English version is the one that will be utilized in court proceedings)
- Rent change documents
- Notices of negative action
- Documents pertaining to the grievance process
- Pre-termination notices
- Notices to quit
- Summary process complaints (recognizing that the English version will be filed in court)

It is ECC/HANH's general policy to communicate effectively with applicants and program participants. Therefore, the majority of documents, if not all documents, provided to Spanish speaking families will be in Spanish.

2-III.B. ORAL INTERPRETATION

ECC/HANH will offer competent interpretation services free of charge, upon request, to the LEP person.

ECC/HANH Policy

ECC/HANH will utilize a language line for telephone interpreter services.

Where LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by ECC/HANH. The interpreter may be a family member or friend.

ECC/HANH will analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. "Reasonable steps" may not be reasonable where the costs imposed substantially exceed the benefits.

Where feasible and possible, according to its language assistance plan (LAP), ECC/HANH will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents.

2-III.C. WRITTEN TRANSLATION

Translation is the replacement of a written text from one language into an equivalent written text in another language.

ECC/HANH Policy

In order to comply with written-translation obligations, ECC/HANH will take the following steps:

ECC/HANH will provide written translations of vital documents for each additional eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally; or

If there are fewer than 50 persons in a language group that reaches the 5 percent trigger, ECC/HANH does not translate vital written materials, but provides written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of cost.

2-III.D. IMPLEMENTATION PLAN

After completing the four-factor analysis and deciding what language assistance services are appropriate, ECC/HANH shall determine whether it is necessary to develop a written implementation plan to address the identified needs of the LEP populations it serves.

If ECC/HANH determines that it is not necessary to develop a written implementation plan, the absence of a written plan does not obviate the underlying obligation to ensure meaningful access by LEP persons to ECC/HANH's public housing program and services.

ECC/HANH Policy

If it is determined that ECC/HANH serves very few LEP persons, and ECC/HANH has very limited resources, ECC/HANH will not develop a written LEP plan, but will consider alternative ways to articulate in a reasonable manner a plan for providing meaningful access. Entities having significant contact with LEP persons, such as schools, grassroots and faith-based organizations, community groups, and groups working with new immigrants may be contacted for input into the process.

If ECC/HANH determines it is appropriate to develop a written LEP plan, the following five steps will be taken: (1) Identifying LEP individuals who need language assistance; (2) identifying language assistance measures; (3) training staff; (4) providing notice to LEP persons; and (5) monitoring and updating the LEP plan.

EXHIBIT 2-1: DEFINITION OF A PERSON WITH A DISABILITY UNDER FEDERAL CIVIL RIGHTS LAWS [24 CFR Parts 8.3 and 100.201]

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment

The phrase “physical or mental impairment” includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working.

“Has a record of such impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major live activities.

“Is regarded as having an impairment” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the PHA) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the public housing program

The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. A person who does not meet this definition of disability is not entitled to a reasonable accommodation under federal civil rights, fair housing laws and regulations.

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes of receiving the disabled family preference, the \$400 elderly/disabled household deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the public housing program, yet an accommodation is needed to provide equal opportunity.

PART IV: THE VIOLENCE AGAINST WOMEN ACT (VAWA)

Violence Against Women Reauthorization Act of 2013: Implementation in HUD Housing Programs, Final Rule, published in the *Federal Register* on November 16, 2016, (81 Fed. Reg. 80724 (November 16, 2016))

(VAWA Final Rule) with respect to the Public Housing and Housing Choice Voucher (HCV) programs.

This notice supersedes HUD Notices PIH 2006-23, 2006-42, and 2007-5.

On March 7, 2013, the Violence Against Women Reauthorization Act of 2013 (P.L. 113-4) (VAWA 2013) was signed into law. VAWA 2013 implemented several key changes related to housing protections for victims of domestic violence, dating violence, sexual assault, and stalking.

On November 16, 2016, HUD published its VAWA Final Rule implementing the requirements of VAWA 2013 through HUD regulations (81 FR80724).

Major changes for the Public Housing, HCV, and PBV programs include:

- Specifies “sexual assault” as a crime covered by VAWA in HUD-covered programs. (See 24 CFR 5.2003.)
- Clarifies that, consistent with HUD’s nondiscrimination and equal opportunity requirements, victims of domestic violence, dating violence, sexual assault, and stalking cannot be discriminated against on the basis of any protected class, and HUD programs must also be operated consistent with HUD’s Equal Access Rule, which requires that HUD-assisted and HUD-insured housing must be available to all otherwise eligible individuals and families without regard to actual or perceived sexual orientation, gender identity or marital status. (See 24 CFR 5.2001(a).)
- Establishes new definitions (e.g., affiliated individual and sexual assault, and others) and revises previously defined terminology (e.g., bifurcate and stalking). (See 24 CFR 5.2003.)
- Establishes new requirements for notification of occupancy rights under VAWA and transmits a model *Notice of Occupancy Rights Under the Violence Against Women Act* (form HUD-5380). (See 24 CFR 5.2005(a).)
- Provides that applicants and tenants may not be denied assistance or have assistance terminated under a covered housing program on the basis of or as a direct result of the fact that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. (See 24 CFR 5.2005(b)(1).)
- Establishes the requirement to establish an emergency transfer plan, establishes record keeping and reporting requirements, and provides a model *Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking* (form HUD-5381), and *Emergency Transfer Request for Certain Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking* form (form HUD-5383). (See 24 CFR 5.2005(e).)

- Revises requirements for documenting the occurrence of domestic violence, dating violence, sexual assault, or stalking, and provides a new *Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, and Alternate Documentation* (form HUD-5382). (See 24 CFR 5.2007.)
- Where the covered housing provider exercises the option to bifurcate a lease and the evicted or terminated tenant was the recipient of assistance at the time of bifurcation, establishes a new requirement for reasonable time periods during which a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking may remain in the unit while establishing eligibility under the current housing program or under another covered housing program, or seeking alternate housing. (See 24 CFR 5.2009(b).)
- Revises various HCV, PBV, and public housing regulations from the 2005 reauthorization of VAWA to broadly state that VAWA protections apply, so that all tenants and applicants, and not only those determined to be victims of domestic violence, dating violence, sexual assault, or stalking, receive statutorily required notification of their VAWA rights.
- Clarifies that PHAs **may** establish a preference for victims of dating violence, sexual assault, and stalking, in addition to domestic violence. (See 24 CFR 960.206(b)(4), and 982.207(b)(4).)
- Establishes new requirements under PBV for a family's right to move as a result of the family, or a member of the family, being or having been the victim of domestic violence, dating violence, dating violence, sexual assault, or stalking. (See 24 CFR 983.261.)

The Violence Against Women Reauthorization Act of 2022

The Violence Against Women Reauthorization Act of 2022 includes new requirements that the U.S. Department of Housing and Urban Development (HUD or the "Department") implement and enforce VAWA's housing rights and ensure that program participants comply with those requirements.

It requires HUD and the Attorney General of the United States to implement and enforce the housing provisions of VAWA consistent with, and in a manner that provides, the same rights and remedies as those provided for in the Fair Housing Act (42 U.S.C. 3601-19).

Also, as described in Section V of this notice, VAWA 2022 requires that HUD establish a process to review compliance with the applicable requirements in the housing provisions of VAWA, and to have regulations to govern that process.

HUD also added requirements for the filing and processing of individual VAWA complaints with its Office of Fair Housing and Equal Opportunity (FHEO) and informing HUD's covered housing providers of its authority to investigate potential violations of the applicable requirements in the housing provisions of VAWA.

VAWA is a federal law that protects individuals who are survivors of domestic

violence, dating violence, sexual assault, and stalking, regardless of sex, sexual orientation, or gender identity.

VAWA includes protections for survivors who are applying for or residing in covered housing programs.’ On March 15, 2022, President Biden signed into law the Consolidated Appropriations Act of 2022,² which included the Violence Against Women Act Reauthorization Act of 2022 (“VAWA 2022”). VAWA 2022 reauthorizes, amends, and strengthens VAWA. The VAWA amendments took effect on October 1, 2022.

The key changes in VAWA 2022 definition in the housing programs.

VAWA 2022 revises the definition of “domestic violence” and adds the definitions of “economic abuse” and “technological abuse.”

The statutory definitions are as follows:

“DOMESTIC VIOLENCE. —The term ‘domestic violence’ includes felony or misdemeanor crimes committed by a current or former spouse or intimate partner of the victim under the family or domestic violence laws of the jurisdiction receiving grant funding and, in the case of victim services, includes the use or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior, by a person who—

(A) is a current or former spouse or intimate partner of the victim, or person similarly situated to a spouse of the victim;

(B) is cohabitating, or has cohabitated, with the victim as a spouse or intimate partner;

(C) shares a child in common with the victim; or

(D) commits acts against a youth or adult victim who is protected from those acts under the family or domestic violence laws of the jurisdiction.”

“ECONOMIC ABUSE.—The term ‘economic abuse’, in the context of domestic violence, dating violence, and abuse in later life, means behavior that is coercive, deceptive, or unreasonably controls or restrains a person’s ability to acquire, use, or maintain economic resources to which they are entitled, including using coercion, fraud, or manipulation to—

(A) restrict a person’s access to money, assets, credit, or financial information;

(B) unfairly use a person’s personal economic resources, including money, assets, and credit, for one’s own advantage; or

(C) exert undue influence over a person’s financial and economic behavior or decisions, including forcing default on joint or other financial obligations, exploiting powers of attorney, guardianship, or conservatorship, or failing or neglecting to act in the best interests of a person to whom one has a fiduciary

duty.”

“TECHNOLOGICAL ABUSE—The term ‘technological abuse’ means an act or pattern of behavior that occurs within domestic violence, sexual assault, dating violence or stalking and is intended to harm, threaten, intimidate, control, stalk, harass, impersonate, exploit, extort, or monitor, except as otherwise permitted by law, another person, that occurs using any form of technology, including but not limited to: internet enabled devices, online spaces and platforms, computers, mobile devices, cameras and imaging programs, apps, location tracking devices, or communication technologies, or any other emerging technologies.”

Chapter 4

APPLICATIONS, WAITING LIST AND TENANT SELECTION

INTRODUCTION

When a family wishes to reside in public housing, the family must submit an application that provides ECC/HANH with the information needed to determine the family's eligibility. HUD requires ECC/HANH to place all eligible families that apply for public housing on a waiting list. When a unit becomes available, ECC/HANH must select families from the waiting list in accordance with HUD requirements and ECC/HANH policies as stated in its Admissions and Continued Occupancy Policy (ACOP) and the Annual Plan.

ECC/HANH is required to adopt clear policies and procedures for accepting applications, placing families on the waiting list, and selecting families from the waiting list, and must follow these policies and procedures consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or ECC/HANH that justify their selection. Examples of this are the selection of families for income targeting and the selection of families that qualify for targeted funding.

HUD regulations require that ECC/HANH comply with all equal opportunity requirements, and it must affirmatively further fair housing goals in the administration of the program [24 CFR 960.103, PH Occ GB p. 13] (see chapter 2).

This chapter describes ECC/HANH policies for accepting applications, managing the waiting list and selecting families from the waiting list. Policies for assigning unit size and making unit offers are contained in Chapter 5. Together, Chapters 4 and 5 of the ACOP comprise ECC/HANH's Tenant Selection and Assignment Plan (TSAP).

The policies outlined in this chapter are organized into three sections, as follows:

Part I: The Application Process. This part provides an overview of the application process and discusses how applicants can obtain and submit applications. It also specifies how ECC/HANH will handle the applications it receives.

Part II: Managing the Waiting List. This part presents the policies that govern how ECC/HANH's waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for public housing. It also discusses the process ECC/HANH will use to keep the waiting list current.

Part III: Tenant Selection. This part describes the policies that guide ECC/HANH in selecting families from the waiting list as units become available. It also specifies how interviews will be used to ensure that ECC/HANH has the information needed to make a final eligibility determination.

PART I: THE APPLICATION PROCESS

4-I.A. OVERVIEW

This part contains policies guiding ECC/HANH's efforts to distribute and accept applications, and to make preliminary determinations of applicant family eligibility that affect placement on the waiting list. Included is ECC/HANH's obligation to ensure accessibility of the application process.

4-I.B. APPLYING FOR ASSISTANCE

Any family that wishes to reside in public housing must apply for admission to the program when the LIPH waiting list for a specific community based or site-based waiting list is open.

HUD permits ECC/HANH to determine the format and content of LIPH applications, as well how such applications will be made available to interested families and how applications will be accepted by ECC/HANH. ECC/HANH must include Form HUD-92006, Supplement to Application for Federally Assisted Housing, as part of ECC/HANH's application.

ECC/HANH Policy

ECC/HANH will maintain **four (4) community waiting** lists for the LIPH program.

- Family
- Elderly/Disabled
- Scattered Site (External Applicants)
- Accessible (UFAS/ADA compliant))
 - This list includes access to all Accessible (ADA compliant) units in ECC/HANH's portfolio, including LIHTC and 3rd party sites

When opening the waiting list, ECC/HANH will publicly announce the accepting of applications (see Section 4-II-C).

Families may apply for the wait list through the ECC/HANH Applicant portal at <https://ecc.myhousing.com>. ~~If the~~ The applicant may request pick up an application form at the agency offices or to have the application mailed to them, needs a reasonable accommodation to complete the pre-application, the applicant may contact the Reasonable Accommodation Manager. Application forms can also be obtained at the ECC/HANH website at www.elmcitycommunities.org or United Way's 211 Info line at <http://www.cthcvp.org>.

A family may request to pick up an application form at the agency offices or to have the application mailed to them as a reasonable accommodation.

All applications received via mail will be date and time stamped. Mailed applications will be added to the waitlist based on the date and time that they are stamped as received.

Only one application will be accepted per family; duplicate applications will be discarded.

Applications received after the published deadline date will be rejected.

Completed applications must be submitted via the Wait List portal. Applications must be complete in order to be accepted by the ECC/HANH for processing.

The Applicant Portal does not allow incomplete applications to be submitted through the portal. If a pre-application submitted in any way other than the portal is incomplete, the ECC/HANH will not accept the application but will instead notify the applicant by mail or email, if applicable, that the application is incomplete and has been denied.

An applicant whose application has been denied for not meeting the published application criteria will be provided with the opportunity to appeal ECC/HANH's decision that the application did not meet the published application criteria within 10 business days of the notice of application denial.

4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS

ECC/HANH must take a variety of steps to ensure that the pre-application process is accessible to those people who might have difficulty complying with the standard ECC/HANH pre-application process. This could include people with disabilities, certain elderly individuals, as well as persons with limited English proficiency (LEP). ECC/HANH must provide reasonable accommodation to the needs of individuals with disabilities. The application-taking facility and the application process must be fully accessible, or ECC/HANH must provide an alternate approach that provides full access to the application process.

Disabled Populations [24 CFR 8; PH Occ GB, p. 68]

ECC/HANH must provide reasonable accommodation as needed for persons with disabilities to make the pre-application process fully accessible. The facility where pre-applications are accepted and the pre-application process must be fully accessible, or ECC/HANH must provide an alternate approach that provides equal access to the program (see chapter 2).

Limited English Proficiency

ECC/HANH is required to take reasonable steps to ensure meaningful access to our programs and activities by persons with limited English proficiency [24 CFR 1] (see chapter 2).

4-I.D. PLACEMENT ON THE WAITING LIST

Ineligible for Placement on the Waiting List

ECC/HANH Policy

The Applicant Portal does not allow incomplete applications to be submitted. If an application is incomplete, the applicant will not be able to submit the application until the application is completed with all required information. If a pre-application submitted in any way other than the portal is incomplete, ECC/HANH will not accept the application but will instead notify the applicant by mail or email, if applicable, that the application is incomplete and give an opportunity to complete the application.

Applicants will not be screened for ineligibility at the pre-application stage. Screening for ineligibility will occur at the time of tenant selection at the full application stage.

Eligible for Placement on the Waiting List

ECC/HANH Policy

Applicants will be placed on the waiting list according to ECC/HANH preference(s) and the date and time their complete application is received by ECC/HANH.

ECC/HANH will assign families on the waiting list according to the bedroom size for which a family qualifies as established in its occupancy standards (see Chapter 5).

Families may request to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines (as long as the unit is not overcrowded according to ECC/HANH standards and local codes). However, in these cases, the family must agree not to request a transfer for one year after admission, unless they have a change in family size or composition.

Placement on the waiting list does not indicate that the family is, in fact, eligible for admission. When the family is selected from the waiting list, ECC/HANH will verify any preference(s) claimed and determine eligibility and suitability for admission to the program.

PART II: MANAGING THE WAITING LIST

4-II.A. OVERVIEW

ECC/HANH must have policies regarding various aspects of organizing and managing the waiting list of applicant families. This includes opening the list to new applicants, notifying the public of waiting list openings and closings, updating waiting list information, purging the list of families that are no longer interested in or eligible for assistance, as well as conducting outreach to ensure a sufficient number of applicants.

In addition, HUD imposes requirements on how ECC/HANH may structure its waiting list and how families must be treated if they apply for assistance from a PHA that administers more than one assisted housing program.

4-II.B. ORGANIZATION OF THE WAITING LIST

ECC/HANH will administer its waiting list as required by 24 CFR Part 5, Part 945 and Part 960, Subparts A and B. The waiting list will be maintained in accordance with the following guidelines:

- The application will be a permanent file.
- Applications equal in preference will be maintained by date and time sequence.

- All applicants must meet applicable income eligibility requirements as established by HUD.

ECC/HANH's public housing waiting list must be organized in such a manner to allow ECC/HANH to accurately identify and select families in the proper order, according to its admissions policies.

ECC/HANH Policy

The waiting list will contain the following information for each applicant listed:

Entity ID number

Applicant Name and social security number of head of household

Date of Birth

Applicant Address

Unit size required (number of family members)

Amount and source of annual income

Accessibility requirement, if any

Household type (family, elderly, disabled)

Qualification for any Admission preference, if any

Race and ethnicity of the head of household

Gender

The specific community-based site(s) selected

Date and time of application or application

~~Admission preference, if any~~

ECC/HANH may adopt one community-wide waiting list or site-based waiting lists, as long as the list(s) is consistent with all applicable civil rights and fair housing laws and regulations and public housing program requirements. [24 CFR 903.7(b)(2)]

ECC/HANH may also merge its LIPH waiting list with its waiting list(s) for admission to another assisted housing program, including a federal or local program. For example, ECC/HANH can merge its HCV waiting list with its project-based voucher program, moderate rehabilitation program and/or public housing waiting list. When admitting an applicant family, admission for each federal program is subject to the federal regulations for that program. (HUD Public Housing Occupancy Guidebook)

ECC/HANH Policy

ECC/HANH will maintain the following community-wide waiting lists for its developments:

- Elderly/Disabled
- Family

- Scattered Site development (External applicants)
- Accessible units (UFAS/ADA compliant)
 - This list includes access to all Accessible (ADA compliant) units in ECC/HANH's portfolio, including LIHTC and 3rd party sites

ECC/HANH will also maintain waiting lists for any special programs.

Within the list, ECC/HANH will designate subparts to easily identify who should be offered the next available unit (i.e., mixed populations, general occupancy, unit size, and accessible units).

ECC/HANH may also merge the public housing waiting list with the waiting list for another program that ECC/HANH operates.

ECC/HANH will assign families on the waiting list according to the bedroom size for which a family qualifies as established in its occupancy standards. Families may request to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines (as long as the unit is not overcrowded according to ECC/HANH standards and local codes). However, in these cases, the family must agree not to request a transfer for two years after admission, unless they have a change in family size or composition.

Placement on the waiting list does not indicate that the family is, in fact, eligible for admission. When the family is selected from the waiting list, ECC/HANH will verify any preference(s) claimed and determine eligibility and suitability for admission to the program.

HUD requires that public housing applicants must be offered the opportunity to be placed on the waiting list for any tenant-based or project-based voucher or moderate rehabilitation program that the ECC/HANH operates if 1) the other programs' waiting lists are open, and 2) the family is qualified for the other programs [24 CFR 982.205(a)(2)(i)].

ECC/HANH must manage its community based and site-based waiting lists in a manner that is consistent with the ECC/HANH's activities to affirmatively further fair housing, such as marketing to groups least likely to apply for public housing.

ECC/HANH must have a system for regular review of the results of its community based and site-based waiting list operations to examine any changes in the racial and ethnic makeup of each site through steps described below.

- Each year, as part of its Annual Plan preparation, ECC/HANH must assess any changes in the racial and ethnic make-up of sites with site-based waiting lists, based on data that has been determined to be accurate by ECC/HANH's Independent Public Accountant.
- At least every three years ECC/HANH must use independent testers, or some other method approved by HUD to ensure that applicants are not treated differently based upon their race or ethnicity, and that no patterns or practices of discrimination exist; and

- ECC/HANH must make changes in its site-based waiting list system, as needed, based on the data and methods above to affirmatively further fair housing.

4-II.C. OPENING AND CLOSING THE WAITING LIST

When ECC/HANH opens its waiting list, the notification process must comply with HUD's fair housing requirements which includes adopting suitable means to ensure that the notice reaches eligible individuals with disabilities (24 CFR § 8.6). ECC/HANH must ensure effective communication with persons with disabilities in all notifications and communications.

ECC/HANH Policy

Any public notice announcing the community based or site-based waiting list opening and application procedure inform applicants of the following:

- date, time, method, and place applications can be obtained and submitted;
- how blank applications may be obtained (e.g., from what addresses, community sites, and websites);
- all methods by which applications will be accepted (e.g., in person, by phone, by fax, by email or Applicant portal);
- a point of contact who can answer questions;
- any limitations on who may apply; and
- any other information the applicant may need to successfully submit the application.

ECC/HANH will announce the opening of the waiting list at least ten (10) business days before applications are first accepted. This will allow for some lead time to share the information broadly and allow people to prepare their applications.

Closing the Waiting List

ECC/HANH is permitted to close the waiting list, in whole or in part, if it has an adequate pool of families to fully lease units in all of its developments. ECC/HANH may close the waiting list completely, or restrict intake by preference, type of project, or by size and type of dwelling unit. [PH Occ GB, p. 31].

ECC/HANH Policy

ECC/HANH may close the waiting list when the estimated waiting period for housing applicants on the list reaches 24 to 48 months for the most current applicants. Where ECC/HANH has particular preferences or other criteria that require a specific category of family, ECC/HANH may elect to continue to accept applications from these applicants while closing the waiting list to others.

Reopening the Waiting List

If the waiting list has been closed, it may be reopened at any time.

ECC/HANH Policy

ECC/HANH will announce the reopening of the waiting list at least 10 business days prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, this information will be contained in the notice. The notice will specify where, when, and how applications are to be received.

ECC/HANH will give public notice by publishing the relevant information in suitable media outlets including, but not limited to:

- Local city newspapers, i.e The New Haven Register
- Neighborhood newspapers, i.e La Voz, The Inner City
- **ECC/HANH** website, www.elmcitycommunities.org
- **ECC/HANH** social media sites, i.e Facebook, Instagram, other social media
- New Haven's Office on Disabilities
- State of Connecticut website

The notice will contain:

- The dates, times, and the wait list in which the families may apply.
- The system of waiting lists offered by **ECC/HANH**.
- The programs for which applications will be taken.
- A brief description of the program.
- A statement that Section 8 participants must submit a separate application if they want to apply for Public Housing.
- Limitations, if any, on who may apply.
- The date application intake will be suspended.

The notices will be made in an accessible format and provided as requested in accordance with Section 504 of the Rehabilitation Act and the Americans with Disabilities Act (ADA) regulations. **ECC/HANH** will furnish appropriate auxiliary aids and services where necessary to afford individuals with hearing and vision impairments an equal opportunity to access the notices.

Notices will be made available in accessible formats for individuals with limited English proficiency, in accordance with HUD's Limited English Proficiency Guidance and 72 Fed. Reg. 2732.

Notices will provide potential applicants with information that includes;

- **ECC/HANH** 's address and telephone number,
- how to submit an application,
- information on eligibility requirements,
- a point of contact who can answer questions,
- any limitations on who may apply, and

- any other information the applicant may need to successfully submit the application.

ECC/HANH Policy

If an applicant is assigned one of the preferences below, they will be added to the applicable community-based waiting list.

Note: This is not a preference hierarchy but a list of applicable preferences.

- **Displaced by Government Action**

Persons displaced by government action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or formally recognized pursuant to Federal disaster relief laws. 24 CFR 5.403(b). This preference will be prioritized in the following:

- Displacement as the result of ECC/HANH planned development/demolition/disposition activity, including from ECC/HANH buildings condemned for health and safety reasons, which would require the family to relocate for more than 3-6 months. This also includes relocation from ECC/HANH public housing units undergoing demolition/disposition, if such action is under a Uniform Relocation Act (URA).
- Displacement as the result of a local natural disaster and/or condemnation of a property or dwelling for health and safety reasons. i.e. Fire Dept, LCI
- Displacement as defined by the US Department of Housing and Urban Development as the result of a natural disaster or event defined Emergency event resulting in the displacement of persons needing housing assistance.

~~Displacement as the result of ECC/HANH planned development/demolition/disposition activity, including from buildings condemned for health and safety reasons, and including from ECC/HANH public housing units undergoing demolition/disposition, if such action is under a Uniform Relocation Act (URA)~~

~~Displacement as the result of a local natural disaster and/or condemnation of a property or dwelling for health and safety~~

~~Displacement as defined by US Department of Housing and Urban Development as the result of a natural disaster or event defined Emergency event resulting in the displacement of persons needing housing assistance.~~

- **Reasonable Accommodation**

Reasonable Accommodation for disability issues under the Fair Housing Act.

- ~~**Violence Against Women Act (VAWA)**~~

~~Violence Against Women Act (VAWA) for applicants who are victims of domestic violence, dating violence, sexual assault or stalking claiming protections under the Violence Against Women Act (VAWA) See the VAWA preference policy for more~~

- **Non-Public Housing Over-Income Family (HOTMA Provision)**

An over income (OI) family who has remained in the unit and is paying the alternative non-public housing rent and who have again become income eligible. A family who has vacated the unit is not eligible for this preference.

4-II.D. FAMILY OUTREACH [24 CFR 903.2(d); 24 CFR 903.7(a) and (b)]

ECC/HANH should conduct outreach as necessary to ensure that ECC/HANH has a sufficient number of applicants on the waiting list to fill anticipated vacancies and to assure that ECC/HANH is affirmatively furthering fair housing and complying with the Fair Housing Act.

ECC/HANH outreach efforts must comply with fair housing requirements. This includes:

- Analyzing the housing market area and the populations currently being served to identify underserved populations
- Ensuring that outreach efforts are targeted to media outlets that reach eligible populations that are underrepresented in the program
- Avoiding outreach efforts that prefer or exclude people who are members of a protected class

ECC/HANH outreach efforts must be designed to inform qualified families about the availability of units under the program.

ECC/HANH Policy

ECC/HANH will monitor the characteristics of the population being served and the characteristics of the population as a whole in ECC/HANH's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.

4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES

ECC/HANH Policy

While the family is on the waiting list, the family must inform ECC/HANH of changes in family size or composition, preference status, or contact information, including current residence, mailing address, email address and phone number.

The changes must be submitted in writing via the ECC/HANH applicant portal or **via** in person, by mail or by electronic methods such as email. Changes in an applicant's circumstances while on the waiting list may affect the family's qualification for a particular bedroom size or entitlement to a preference. When an applicant reports a change that affects their placement on the waiting list, the waiting list will be updated accordingly.

This may occur when applicants on the waiting list, who did not qualify for any preference when they initially applied, experience a change in circumstances that later qualifies them for a preference. The reverse may also occur.

If preference status changes, applicants retain their original date and time of application or application number. If ECC/HANH determines that the applicant does now qualify for a preference, they will be moved up the waiting list in accordance with their preference(s) and their date and time of application/application number and will be informed in writing of how the change in status has affected their position on the waiting list.

4-II.F. UPDATING THE WAITING LIST

HUD requires ECC/HANH to establish policies that describe the circumstances under which applicants will be removed from the waiting list [24 CFR 960.202(a)(2)(iv)].

Purging the Waiting List

The primary goal in purging a waiting list is to obtain current information on interested applicants and to remove applicants who are no longer interested in participating in the LIPH program.

Also purging the waiting lists prevents delays in leasing activities.

The decision to remove an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation (see Chapter 2).

ECC/HANH Policy

The waiting list will be updated as needed, at least annually, to ensure that all applicant information is current and timely.

ECC/HANH will consider the following factors when deciding to purge/update the waiting list, and may decide to purge individual community-based Waiting List at a given time.

- The number of applicants expected to be selected within a reasonable time, i.e 12-24 months
- Identify families who are no longer interested or eligible to participate in the LIPH program

To purge the waiting list, ECC/HANH may send purge letter notifications via the Applicant Portal, electronic or first-class mail to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the LIPH program.

This purge letter will be sent to the last electronic or mailing address, that ECC/HANH has on record for the family. The purge letter will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from the waiting list.

Applicants must verify and update all the information needed for placement on the waiting list, such as address, phone number, household composition, income, and email address if applicable. The applicant must indicate that they wish to remain on the specific waiting list or if they wish to be removed.

The family's response must be in writing and may be delivered in person or by applicant portal or electronic or first-class mail. Responses should be postmarked or received by ECC/HANH no later than 15 business days from the date of ECC/HANH's letter.

If the family fails to respond within 15 business days, the family will be removed from the waiting list without further notice.

If the notice is returned by the post office marked undeliverable or with no forwarding address or if the electronic communication is returned as undeliverable, the applicant will be removed from the waiting list without further notice. A copy of the letter shall be maintained in the file with a note indicating the date and reason for removing the applicant from the Waiting List.

If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated. The address will be updated accordingly. The family will have 15 business days to respond from the date the letter was re-sent. If the family fails to respond within this time frame, the family will be removed from the waiting list without further notice. The returned mail must be filed in the file.

When a family is removed from the waiting list during the purge process for failure to respond, no informal hearing will be offered.

Such failures to act on the part of the applicant prevent ECC/HANH from making an eligibility determination; therefore, no informal hearing is required.

If a family is purged from the waiting list for failure to respond, ECC/HANH may reinstate the family if the lack of response was due to ECC/HANH error, or to circumstances beyond the family's control to include but not limited to, hospitalization, delayed mail delivery, or other reasonable accommodation circumstances.

Due to the length of the waiting list, it may not be cost effective to purge the entire waiting list at one time. ECC/HANH will have the discretion to purge a portion of the waiting list in order to have current information on those applicant families that may be likely to reach the top of the waiting list in the next 12 months.

ECC/HANH may determine to conduct a purge with in-house staff or contracting out the service to complete the function.

Removal from the Waiting List

ECC/HANH Policy

ECC/HANH will remove an applicant from the waiting list upon request by the applicant family. Such requests must be submitted in writing. In such cases no informal hearing is required.

If ECC/HANH determines that the family is not eligible for admission (see Chapter 3) at any time while the family is on the waiting list the family will be removed from the waiting list.

If a family is removed from the waiting list because ECC/HANH has determined the family is not eligible for admission, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application.

The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal hearing regarding ECC/HANH's decision (see Chapter 14) [24 CFR 960.208(a)].

A family may also be removed from the waiting list if the family fails to respond to the ECC/HANH's written invitation to attend an eligibility appointment or request for information.

ECC/HANH must reinstate an applicant family to its former position on the waiting list if the family was removed from the waiting list due to the family's failure to respond to ECC/HANH's request for information or updates and that failure was related to a family member's disability or was on the basis or as a direct result of domestic violence, dating violence, sexual assault, or stalking, including an adverse factor resulting from such abuse (24 CFR part 100, 24 CFR part 8; 28 CFR part 35).

PART III: TENANT SELECTION

4-III.A. OVERVIEW

ECC/HANH must establish tenant selection policies for families being admitted to public housing [24 CFR 960.201(a)]. ECC/HANH must not require any specific income or racial quotas for any developments [24 CFR 903.2(d)]. ECC/HANH must not assign persons to a particular section of a community or to a development or building based on race, color, religion, sex, disability, familial status or national origin for purposes of segregating populations [24 CFR 1.4(b)(1)(iii) and 24 CFR 903.2(d)(1)].

The order in which families will be selected from the waiting list depends on the selection method chosen by ECC/HANH and is impacted in part by any selection preferences that the family qualifies for. The availability of units also may affect the order in which families are selected from the waiting list.

ECC/HANH must maintain a clear record of all information required to verify that the family is selected from the waiting list according to ECC/HANH's selection policies [24 CFR 960.206(e)(2)]. ECC/HANH's policies must be posted any place where ECC/HANH receives applications. ECC/HANH must provide a copy of its tenant selection policies upon request to any applicant or tenant. ECC/HANH may charge the family for providing a copy of its tenant selection policies [24 CFR 960.202(c)(2)].

ECC/HANH Policy

ECC/HANH will provide copies of tenant selection policies free of charge, upon request.

4-III.B. SELECTION METHOD

Local Preferences [24 CFR 960.206]

ECC/HANH is permitted to establish local preferences and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits ECC/HANH to establish other local preferences, at its discretion. Any local preferences established must be consistent with the ECC/HANH plan and the consolidated plan and must be based on local housing needs and priorities that can be documented by generally accepted data sources [24 CFR 960.206(a)].

ECC/HANH Policy

Families will be selected from the waiting list based on the priority of preferences. Among applicants with the same preference, families will be selected on a first-come, first-served basis according to the date and time their complete application is received by ECC/HANH.

When selecting applicants from the waiting list, ECC/HANH will match the characteristics of the available unit (unit size, accessibility features, unit type) to the applicants on the waiting lists.

ECC/HANH will offer the unit to the highest-ranking applicant who qualifies for that unit size or type, or that requires the accessibility features.

By matching unit and family characteristics, it is possible that families who are lower on the waiting list may receive an offer of housing ahead of families with an earlier date and time of application or higher preference status.

Factors such as deconcentration (or income mixing) and income targeting will also be considered in accordance with HUD requirements and ECC/HANH policy.

ECC/HANH will use the following local ranking preference system for admission into the LIPH program:

1) Displaced by Government Action

Persons displaced by government action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or formally recognized pursuant to Federal disaster relief laws. 24 CFR 5.403(b). This preference will be prioritized in the following Tiers:

a) Tier I: Displaced by Government Action, In-house redevelopment

Displacement as the result of ECC/HANH planned development/demolition/disposition activity, including from buildings condemned for health and safety reasons, which would require the family to relocate for more than 3-6 months, and including from ECC/HANH public housing units undergoing demolition/disposition, if such action is under a Uniform Relocation Act (URA)

b) Tier II: Displaced by Government Action, I.e., Local Natural Disaster or Building condemnation

Displacement as the result of a local natural disaster and/or condemnation of a property or dwelling for health and safety reasons. i.e. Fire Dept, Livable City Initiatives (LCI)

c) Tier III: Displaced by Government Action, as defined by US Department of Housing

Displacement is defined by ~~US~~the US Department of Housing and Urban Development as the result of a natural disaster or event defined Emergency event resulting in the displacement of persons needing housing assistance.

2) Reasonable Accommodation

Reasonable Accommodation for disability issues under the Fair Housing Act.

~~) Violence Against Women Act (VAWA)~~

~~Documented victims of domestic violence, sexual assault, dating violence or stalking. Violence Against Women Act (VAWA) for applicants who are victims of domestic violence, dating violence, sexual assault or stalking claiming protections under the Violence Against Women Act (VAWA). See the VAWA preference policy for more information.~~

~~To qualify for the VAWA preference, the incident must have taken place no more than 90 calendar days prior to date of ECC/HANH's receipt of the VAWA application.~~

3) Local Preference based on Income Targeting 24 CFR 960.202.

Applicants will be grouped as follows:

a) Tier I: Families with incomes between 0% and 30% of area median income (this group **must** constitute at least 40% of all admissions in any year). This preference is required by Federal law.

b) Tier II: Families with incomes from 31% to 50% of area median income (the target for this group is 30% of all admissions in any year).

c) Tier III: Families with incomes from 51% to 80% of area median income (the target for this group is 30% of all admissions in any year).

Within income Tiers, applications are sorted by wait list position number (date and time of application).

4) Non-Public Housing Over-Income Family (HOTMA provision)

An over income (OI) family who has remained in the unit and is now paying the alternative non-public housing rent and who have again become income eligible. A family who has vacated the unit is not eligible for this preference.

ECC/HANH has designated housing and/or waiting lists.

Designated Housing

a. Elderly/Disabled (Mixed Population) - ~~Developments~~ designated for Elderly and Disabled families:¹ Elderly families and disabled families receive equal preference.

a.b. Family ~~Developments~~ – ~~Developments~~ designated for work able families (non-elderly/disabled).

b.c. ECC/HANH's Self-Sufficiency Scattered Sites – Sites consisting of small developments and scattered single and multi-family homes are designated self-sufficiency housing, with eligibility targeted to Tier III applicants and transfers. These sites are designated for families between 51% to 80% AMI.

e.d. Accessible Housing – ECC/HANH maintains a percentage of units in its portfolio that are UFAS-compliant (i.e., wheelchair accessible, mobility-impaired accessible units, hearing-impaired accessibility, sight-impaired accessible units, etc.). Priority for these units shall be given to families with

¹ Buildings or portions of buildings designated for elderly persons and persons with disabilities. The definition of an elderly family is one in which the head, spouse or cohead is 62 or older. The definition of a disabled family is one in which the head, spouse or cohead is a person with disabilities.

one or more members who require such features. Applicants may apply to the Accessible Housing waiting list as well as to the general waiting list.

d.e. Supportive Housing Matching Program - ECC/HANH is authorized under its Moving to Work status to develop and adopt a voluntary program for its properties that matches housing with health, social services and/or economic development programs tailored to each resident's opportunity to become self-sufficient. In carrying out this program, a certain number of sites are designated a specific number of units for applicants, and a certain number of sites are designated a specific number of units for residents. Priority of units designated under this program will be given to eligible ECC/HANH residents and eligible applicants referred by supportive service agencies pursuant to an agreement with ECC/HANH to provide such supportive services. Applicants must apply to the site-based Supportive Housing waiting list for these designated sites.

f. Community Re-entry & Community Reunification Program – ECC/HANH was authorized under its Moving to Work Annual Plan to develop and implement a program to increase housing choice and support family self-sufficiency.

Under the Community Reentry program, ECC/HANH partners with the City of New Haven to house individuals/families who have reentered society after completing a prison sentence. These individual/families receive services with the City Department and ECC/HANH provides the housing. ECC/HANH will allow individuals looking to be added to a current ECC/HANH household under the Family Reunification program. Certain criteria of the criminal background check may be waived with the exception of the mandatory HUD denials.

Ten percent (10%) of the new admissions each year will be allocated to applicants on Reentry waitlist. Residents under the family reunification program do not count toward the number of units allocated to reentry each year as they are individuals being added to existing LIPH households. Additionally, under family reunification, all new admissions to households under the family reunification program will be referred to the team at the partner agency, the City of New Haven.

A preference does not guarantee admission to the program. Preferences are used to establish eligibility for placement on the Community Re-Entry housing waiting list. Every applicant must meet the ECC/HANH's eligibility and Selection Criteria as defined in this policy.

Income Targeting Requirement [24 CFR 960.202(b)]

HUD requires that extremely low-income (ELI) families make up at least 40 percent of the families admitted to public housing during ECC/HANH's fiscal year. ELI families are those with annual incomes at or below the federal poverty level or 30 percent of the area median income, whichever number is higher [*Federal Register* notice 6/25/14]. To ensure this requirement is met, ECC/HANH may skip non-ELI families on the waiting list in order to select an ELI family.

ECC/HANH Policy

ECC/HANH's Tiered preference system described in this Section, above, ensures compliance with HUD's income targeting requirement.

Organization of ECC/HANH's Site-Based Waiting Lists

If ECC/HANH will use site-based waiting lists (SBWLs), there are five conditions that ECC/HANH must implement:

- 1) Accurately, completely, and timely submit tenant characteristic data to HUD;
- 2) Provide full disclosure to each applicant of any option available concerning the selection of a development in which to reside – including basic information, such as location, occupancy, number of accessible units, amenities, transportation resources, and anticipated waiting time;
- 3) Must ensure the adoption of SBWLs would not violate any court order or settlement agreement, or be inconsistent with a pending HUD complaint;
- 4) Must take reasonable measures to ensure that adoption of SBWLs is consistent with affirmatively furthering fair housing, such as marketing; and
- 5) Must review the SBWL policy for consistency with civil rights laws and certifications by
 - (a) reviewing changes in racial, ethnic or disability-related tenant characteristics,
 - (b) using independent testers every three years ensuring non-discriminatory implementation of the SBWL policy, as well as a pattern and practice of discrimination,
 - (c) taking any steps to remedy problems that surface during the review, and
 - (d) taking steps necessary to affirmatively further fair housing (24 CFR § 903.7(b)(2)).

ECC/HANH Policy

ECC/HANH maintains a system of community-based waiting lists. Applications are accepted via the Wait List Application web portal, at ECC/HANH's central office at 360 Orange Street and at the Property Management offices.

Every reasonable action will be taken by ECC/HANH to assure that applicants can make informed choices regarding the developments in which they wish to reside. ECC/HANH will disclose information to applicants regarding the location of available sites, housing type, number, and size of units, including accessible units.

ECC/HANH will also include basic information relative to amenities such as day care, security, transportation, training programs, and an estimate of the period of time the applicant will likely have to wait to be admitted to units of different types.

ECC/HANH maintains a separate community-based waiting lists for applicants for the following:

Elderly/Disabled Developments

Robert T. Wolfe

George Crawford Manor

An elderly/disabled development is a public housing development or portion of a development that was reserved for elderly families and disabled families at its inception (and has retained that character) or ECC/HANH at some point after its inception obtained HUD approval to give preference in tenant selection for all units in the development (or portion of a development) to elderly and disabled families [24 CFR 960.102].

Elderly family means a family whose head, spouse, cohead, or sole member is a person who is at least 62 years of age.

Disabled family means a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403].

ECC/HANH must give elderly and disabled families equal preference in selecting these families for admission to mixed population developments. ECC/HANH may not establish a limit on the number of elderly or disabled families that may occupy a mixed population development. In selecting elderly and disabled families to fill these units, ECC/HANH must first offer the units that have accessibility features for families that include a person with a disability and require the accessibility features of such units. ECC/HANH may not discriminate against elderly or disabled families that include children (Fair Housing Amendments Act of 1988).

Family Developments

Westville Manor

Essex Townhouses

A family development is a public housing development that was reserved for families who are considered nonelderly/disabled.

Scattered Site Developments (General Occupancy) (For Tier III Transfers and Applicants)

Scattered sites are ECC/HANH designated self-sufficiency units and are available for Tier III transfer residents and applicants, e.g., families at 51% to 80% of AMI. Scattered sites are located throughout the jurisdiction ECC/HANH serves.

Transfer policy for scattered sites residents is found in Chapter 12, Transfers.

Supportive Services for Persons and Families Approved for Such Services by ECC/HANH Designated Supportive Services Agencies (for Applicants)

The site-based supportive housing waiting lists are open to applicants who have indicated a preference for and who qualify for the supportive services associated with that waiting list. Applicants may demonstrate their eligibility by providing a standard form, “Preference Form for ECC/HANH-Assisted Supportive Housing Programs,” signed by both the applicant and the service provider or its authorized representative. A preference does not guarantee admission to the program. Preferences are used to establish eligibility for placement on a supportive housing waiting list. Every applicant must meet ECC/HANH's eligibility and Selection Criteria as defined in this policy.

All applicants must be able to meet any property-specific admissions requirements at the time of admission.

Deconcentration of Poverty and Income-Mixing [24 CFR 903.1 and 903.2]

ECC/HANH's admission policy must be designed to provide for deconcentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects. A statement of ECC/HANH's deconcentration policies must be included in its annual plan [24 CFR 903.7(b)].

ECC/HANH's deconcentration policy must comply with its obligation to meet the income targeting requirement [24 CFR 903.2(c)(5)].

Developments subject to the deconcentration requirement are referred to as ‘covered developments’ and include general occupancy (family) public housing developments. The following developments are not subject to deconcentration and income mixing requirements:

- developments operated by ECC/HANH with fewer than 100 public housing units
- mixed population or developments designated specifically for elderly or disabled families
- developments operated by ECC/HANH with only one general occupancy development
- developments approved for demolition or for conversion to tenant-based public housing
- developments approved for a mixed-finance plan using HOPE VI or public housing funds [24 CFR 903.2(b)]

Steps for Implementation [24 CFR 903.2(c)(1)]

To implement the statutory requirement to deconcentrate poverty and provide for income mixing in covered developments, ECC/HANH must comply with the following steps:

Step 1. ECC/HANH must determine the average income of all families residing in all ECC/HANH's covered developments. ECC/HANH may use the median income, instead of average income, provided that ECC/HANH includes a written explanation in its annual plan justifying the use of median income.

ECC/HANH Policy

ECC/HANH will determine the average income of all families in all general occupancy (family) developments on a periodic basis.

Step 2. ECC/HANH must determine the average income (or median income, if median income was used in Step 1) of all families residing in each covered development. In determining average income for each development, ECC/HANH has the option of adjusting its income analysis for unit size in accordance with procedures prescribed by HUD.

ECC/HANH Policy

ECC/HANH will determine the average income of all families residing in each general occupancy (family) development (not adjusting for unit size) on a periodic basis.

Step 3. ECC/HANH must then determine whether each of its covered developments falls above, within, or below the established income range (EIR), which is from 85% to 115% of the average family income determined in Step 1. However, the upper limit must never be less than the income at which a family would be defined as an extremely low-income family (federal poverty level or 30 percent of median income, whichever number is higher).

Step 4. ECC/HANH with covered developments having average incomes outside the EIR must then determine whether or not these developments are consistent with its local goals and annual plan.

Step 5. Where the income profile for a covered development is not explained or justified in the annual plan submission, ECC/HANH must include in its admission policy its specific policy to provide for deconcentration of poverty and income mixing.

ECC/HANH's deconcentration policy may include, but is not limited to the following:

- Providing incentives to encourage families to accept units in developments where their income level is needed, including rent incentives, affirmative marketing plans, or added amenities
- Targeting investment and capital improvements toward developments with an average income below the EIR to encourage families with incomes above the EIR to accept units in those developments
- Establishing a preference for admission of working families in developments below the EIR
- Skipping a family on the waiting list to reach another family in an effort to further the goals of deconcentration
- Providing other strategies permitted by statute and determined by ECC/HANH in consultation with the residents and the community through the annual plan process to be responsive to local needs and ECC/HANH strategic objectives

A family has the sole discretion whether to accept an offer of a unit made under ECC/HANH's deconcentration policy. ECC/HANH must not take any adverse action toward any eligible family for choosing not to accept an offer of a unit under ECC/HANH's deconcentration policy [24 CFR 903.2(c)(4)].

If, at annual review, the average incomes at all general occupancy developments are within the EIR, ECC/HANH will be considered to be in compliance with the deconcentration requirement and no further action is required.

ECC/HANH Policy

If, at annual review, there are found to be development(s) with average income above or below the EIR, and where the income profile for a site based family development above or below the EIR is not explained or justified in the ECC/HANH MTW Plan, ECC/HANH shall list these covered developments in the ECC/HANH Annual Plan and shall develop a policy for deconcentration of poverty and income mixing in applicable developments. ECC/HANH's policies for implementing deconcentration may include:

Targeting investment and capital improvements toward covered developments below the EIR to encourage applicant families whose income is above the EIR to accept units in those developments.

Offering incentives to families with incomes above the EIR willing to move into a development with average income below the EIR and/or to families with incomes below the EIR willing to move into a development with average income above the EIR. These incentives are described in the MTW Annual Plan.

Deconcentration Compliance

If, at annual review, the average incomes at all family developments are within the Established Income Range, ECC/HANH will be considered to be in compliance with the deconcentration requirement.

Promotion of Integration

Beyond the basic requirement of nondiscrimination, ECC/HANH shall affirmatively further fair housing to reduce racial and national origin concentrations. ECC/HANH shall not require any specific income or racial quotas for any development or developments.

ECC/HANH shall not assign families to a particular section of a community or to a development or building based on race, color, religion, sex, disability, familial status or national origin.

Order of Selection [24 CFR 960.206(e)]

ECC/HANH's system of preferences may select families either according to the date and time of application or by a random selection process.

ECC/HANH Policy

Families will be selected from the waiting list based on preference. Among applicants with the same preference, families will be selected on a first-come, first-served basis according to the date and time their complete application is received by ECC/HANH.

When selecting applicants from the waiting list, ECC/HANH will match the characteristics of the available unit (unit size, accessibility features, unit type) to the applicants on the waiting lists. ECC/HANH will offer the unit to the highest-ranking

applicant who qualifies for that unit size or type, or that requires the accessibility features.

By matching unit and family characteristics, it is possible that families who are lower on the waiting list may receive an offer of housing ahead of families with an earlier date and time of application or higher preference status.

Factors such as deconcentration or income mixing and income targeting will also be considered in accordance with HUD requirements and ECC/HANH policy.

4-III.C. NOTIFICATION OF SELECTION

When the family has been selected from the waiting list, ECC/HANH must notify the family.

ECC/HANH Policy

ECC/HANH will notify the family by first class mail, or email if applicable, when it is selected from the waiting list. ECC/HANH may also call the family and follow up with a letter that must be filed.

The notice will inform the family of the following:

- Date, time, and location of the scheduled briefing interview, including any procedures for rescheduling the interview

- Who is required to attend the interview

- Documents that must be provided at the interview to document the legal identity of household members, including information about what constitutes acceptable documentation

- Documents that must be provided at the interview to document eligibility for a preference, if applicable

- Other documents and information that should be brought to the interview

If a notification letter is returned to ECC/HANH with no forwarding address, the family will be removed from the waiting list without further notice. Such failure to act on the part of the applicant prevents ECC/HANH from making an eligibility determination; therefore, no informal hearing will be offered.

Applicants may be verified for eligibility without a unit offer. Verifying applicants for eligibility within 90 days of reaching the top of the waiting list assists in ensuring that applicant can be housed swiftly when housing units become available.

4-III.D. THE APPLICATION INTERVIEW

HUD recommends that ECC/HANH obtain the information and documentation needed to make an eligibility determination through a private interview. Being invited to attend an interview does not constitute admission to the program.

Assistance cannot be provided to the family until all SSN documentation requirements are met. However, if ECC/HANH determines that an applicant family is otherwise eligible to participate

in the program, the family may retain its place on the waiting list for a period of time determined by ECC/HANH [Notice PIH 2012-10].

Reasonable accommodation must be made for persons with disabilities who are unable to attend an interview due to their disability [24 CFR 8.4(a) and 24 CFR 100.204(a)].

ECC/HANH Policy

Families selected from the waiting list are required to participate in an eligibility briefing interview.

All adult family members are required to attend the interview. ECC/HANH may waive this requirement on a case-by-case basis for students attending school out of state and/or members for whom attendance would present a hardship. Verification of information pertaining to adult members of the household who are not present at the interview will not begin until signed release forms are returned to ECC/HANH.

All adults who did not attend the original eligibility briefing, and requirement to attend has not been waived by ECC/HANH, will then be required to attend an interview within 10 business days of the originally scheduled eligibility briefing to review all provided information and to certify as to the accuracy and completeness of the information.

The interview will be conducted only if the head of household or spouse/cohead provides appropriate documentation of legal identity (Chapter 7 provides a discussion of proper documentation of legal identity). If the family representative does not provide the required documentation within 10 business days, the appointment will be rescheduled when the proper documents have been obtained.

Pending disclosure and documentation of social security numbers, ECC/HANH will allow the family to retain its place on the waiting list for 90 days.

If all household members have not disclosed their SSNs at the next time a unit becomes available, ECC/HANH will offer a unit to the next eligible applicant family on the waiting list.

If the family is claiming a waiting list preference, the family must provide documentation to verify their eligibility for a preference (see Chapter 7). If the family is verified as eligible for the preference, ECC/HANH will proceed with the interview.

ECC/HANH typically keeps some waiting lists continuously open for certain specific categories, e.g.,

- Displaced Persons
- Victims of Domestic Violence
- Elderly-Only sites
- Elderly/Disabled sites
- Accessible units
- four- and five-bedroom units

If ECC/HANH determines the family applying for a targeted waiting list is not eligible for the category, the interview will not proceed, and the family will be denied. However,

the applicant will be invited to apply when the waiting list is open in any category for which the family appears to be eligible.

If ECC/HANH determines the family is not eligible for a preference claimed, but the family is still eligible to be on the waiting list, the interview will not proceed and the family will be placed back on the waiting list according to the date and time of their application.

The family must provide the information necessary to establish the family's eligibility, including suitability, and to determine the appropriate amount of rent the family will pay. The family must also complete required forms, provide required signatures, and submit required documentation. If any materials are missing, ECC/HANH will provide the family with a written list of items that must be submitted.

Any required documents or information that the family is unable to provide at the interview must be provided within 10 business days of the interview (Chapter 7 provides details about longer submission deadlines for particular items, including documentation of Social Security numbers and eligible noncitizen status).

If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. A 10-day extension will be granted if the family can demonstrate inability to receive documentation prior to the scheduled interview, or hardship. Further extensions may be granted on a case-by-case basis by ECC/HANH operations management. If the required documents and information are not provided within the required time frame (plus any extensions), the family will be sent a notice of denial (see Chapter 3).

Interviews will be conducted in English. ECC/HANH will provide competent oral interpretation, free of charge, upon request, to Limited English proficient (LEP) applicants.

An advocate, interpreter, or other assistant may assist the family with the application and the interview process.

To ensure effective communication with persons with disabilities in the interview process, ECC/HANH will furnish appropriate auxiliary aids and services where necessary to afford individuals with hearing and vision impairments an equal opportunity to access and participate in the program.

ECC/HANH will provide appropriate auxiliary aids and services necessary to ensure effective communication, which includes ensuring that information is provided in appropriate accessible formats as needed, e.g., Braille, audio, large type, accessible online formats, assistive listening devices, and sign language interpreters.

When ECC/HANH denies eligibility due to failure to supply information needed to determine eligibility, a notice of denial will be issued in accordance with policies contained in Chapter 3, informing the applicant of the right to an informal hearing.

If the family fails to attend the eligibility/briefing interview, ECC/HANH will make one additional attempt to schedule the family for an eligibility briefing interview. If the

family is unable to attend a scheduled interview, the family should contact ECC/HANH in advance of the interview to schedule a new appointment, and the first eligibility/briefing interview will not count as a missed appointment.

Applicants who fail to attend two scheduled interviews without ECC/HANH approval will be removed from the waiting based on the family's failure to supply information needed to determine eligibility. The second appointment letter will state that failure to appear for the appointment without a request to reschedule will be interpreted to mean that the family is no longer interested, and they will be removed from the waiting list. Such failure to act on the part of the applicant prevents ECC/HANH from making an eligibility determination; therefore, ECC/HANH will not offer an informal hearing.

When prohibited from conducting in-person interviews due to natural disaster or public/personal health reasons, ECC/HANH may consider a video or telephonic system option for interviews. ECC/HANH may consider a video or telephonic system for interviews for other reasons as well.

As always, reasonable accommodations must be provided for person with disabilities upon request. For example, for some people, a video interview may be a good way to provide a reasonable accommodation for someone with a mobility-related disability who cannot attend an in-person interview in an office.

In all circumstances, if a family does not attend a scheduled interview, ECC/HANH will send another notification letter with a new interview appointment time. Applicants who fail to attend two scheduled interviews without ECC/HANH approval will be removed from the site-based waiting list based on the family's failure to supply information needed to determine eligibility, subject to reasonable accommodation for people with disabilities.

Such failure to act on the part of the applicant prevents ECC/HANH from making an eligibility determination; therefore, no informal hearing will be offered.

4-III.E. FINAL ELIGIBILITY DETERMINATION [24 CFR 960.208]

ECC/HANH must verify all information provided by the family (see Chapter 7). Based on verified information related to the eligibility requirements, including ECC/HANH suitability standards, ECC/HANH must make a final determination of eligibility (see Chapter 3).

When a determination is made that a family is eligible and satisfies all requirements for admission, including tenant selection criteria, the applicant must be notified of the approximate date of occupancy insofar as that date can be reasonably determined [24 CFR 960.208(b)].

ECC/HANH Policy

ECC/HANH will notify a family in writing of their final eligibility within 10 business days of the determination and will provide the approximate date of occupancy insofar as that date can be reasonably determined.

ECC/HANH must promptly notify any family determined to be ineligible for admission of the basis for such determination, and must provide the applicant upon request, within a reasonable time after the determination is made, with an opportunity for an informal hearing on such determination [24 CFR 960.208(a)].

ECC/HANH Policy

If ECC/HANH determines that the family is ineligible, ECC/HANH will send written notification of the ineligibility determination within 10 business days of the determination. The notice will specify the reason(s) for ineligibility and will inform the family of its right to request an informal hearing (see Chapter 14).

If ECC/HANH uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a copy of the record must precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before the ECC/HANH can move to deny the application. See Section 3-III.G.

If assistance is denied, ECC/HANH must provide the family a notice of VAWA rights (form HUD-5380) as well as the HUD VAWA self-certification form (form HUD-5382) in accordance with the Violence against Women Act of 2013 [and Violence against Women Act Reauthorization 2022](#).

PART 4-IV

VAWA ~~APPLICANT WAITLIST AND~~ TRANSFER WAITLIST PREFERENCE

4-~~IV. A~~ INTRODUCTION

The VAWA Final Rule states that PHAs may establish a preference for victims of dating violence, sexual assault, and stalking, in addition to domestic violence.
24 CFR 960.206(b)(4)

ECC/HANH Policy

In support of The Violence Against Women Act, 42 U. S. C. 13701, ECC/HANH has implemented a ~~waitlist~~ preference for victims of domestic violence (VAWA). ~~The preference applies to:~~

- ~~• all low income public housing waitlists for developments owned and managed by ECC/HANH,~~
- ECC/HANH's in-house transfer waitlists
- ~~• current applicants on the LIPH waitlists.~~

Admissions and Screening

~~**A. Non-Denial of Assistance.** ECC/HANH will not deny admission to the LIPH program to any person because that person is or has been a victim of domestic violence, sexual assault, dating violence, or stalking, provided that such person is otherwise qualified for such admission.~~

~~**B. Admissions Preference.** Applicants for housing assistance from ECC/HANH will receive a preference in admissions by virtue of their status as victims of domestic violence, sexual assault, dating violence, or stalking. This preference is particularly described as follows:~~

- ~~• Applicants holding a place on any ECC/HANH wait list will be repositioned as outlined in the Admission and Continued Occupancy Plan (ACOP).~~

~~**C. Mitigation of Disqualifying Information.** When so requested in writing by an applicant, whose history includes incidents in which the applicant was a victim of domestic violence, ECC/HANH, shall take such information into account in mitigation of potentially disqualifying information, such as poor credit history or previous damage to a dwelling.~~

~~If requested by an applicant to take such mitigating information into account, ECC/HANH shall be entitled to conduct such inquiries as are reasonably necessary to verify the claimed history of domestic violence and its probable relevance to the potentially disqualifying information.~~

~~ECC/HANH will not disregard or mitigate potentially disqualifying information if the applicant household includes a perpetrator of a previous incident or incidents of domestic violence.~~

~~**D. Mandatory Disqualify:** Former Housing Choice Voucher Participants and former Residents of any Low Income Public Housing program who were not in good standing at the time of exiting the program.~~

~~**4 PREFERENCE QUALIFICATIONS**~~

~~To qualify for the VAWA preference an incident of domestic violence must have taken place no more than 90 calendar days prior to date of ECC/HANH's receipt of the VAWA application the applicant must be currently homeless or at risk of being homeless as a result of domestic violence.~~

~~**Supporting Documents**~~

~~The applicant must provide supporting documentation of incident(s) of domestic violence including certification from a federal, state, tribal, territorial or local police; or protective order; or a signed certification by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; or a medical professional. Acceptable documentation also includes a record of an administrative agency, and documentation from a mental health professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incident(s) of abuse, and that the applicant is homeless or at risk of becoming homeless as a result of the domestic violence. The victim must also sign the documentation.~~

~~**Request for the VAWA Preference**~~

~~To begin the VAWA preference application process, the applicant may visit our office at 360 Orange Street, New Haven, CT 06511 to obtain a VAWA certification packet. If unable to visit the office, the applicant may contact ECC/HANH's Reasonable Accommodations Manager (RAM) at 498-8800 and request the VAWA Certification Form be mailed.~~

~~Once the applicant has received, the VAWA certification form he/she must fill out the form in its entirety, sign and return along with required proof of domestic violence incident(s). All incomplete requests will be denied.~~

~~The completed certification packet and supporting documentation are to be mailed or hand delivered to:~~

~~—Reasonable Accommodations Manager
Elm City Communities/Housing Authority of the City of New Haven
360 Orange Street
New Haven, Connecticut 06511~~

~~If the applicant cannot mail or hand-deliver the completed form, please contact the Reasonable Accommodations Manager to discuss.~~

Denial of Preference

~~Notification of Rejection will be sent by ECC/HANH's RAM within 10 business days of receipt. The notice will inform the applicant of the basis for such determination and will offer an opportunity for an informal review (see ECC/HANH ACOP for Informal Hearing of Rejected Applicants).~~

Approval of Preference

~~When the VAWA preference is approved, the applicant will receive notification of approval as well as the pre-application. Approved families will be added to every wait list for which the family qualifies for by ECC.~~

~~If an applicant is already on the ECC/HANH applicant waitlist as a result of having previously applied for LIPH, the preference will be applied, and the applicant will be repositioned on the waitlist as outlined in the agency's LIPH Admission and Continued Occupancy Policy (ACOP), based on the date of the original approval date.~~

~~An applicant who is not yet on the LIPH or HCV applicant waitlist will be added only to the LIPH applicant site-based waitlist as outlined in the ACOP. If a Public Housing unit of~~

~~appropriate size is unavailable at any Public Housing development managed by ECC/HANH, the agency President may choose to provide the applicant with a Housing Choice Voucher.~~

~~New applicants will **not be** added to the HCV waitlist, however, once on the LIPH waitlist, families may potentially have a one-time opportunity to opt for vouchers if vouchers are available.~~

4-IV.BE TRANSFERS FOR CURRENT ECC RESIDENTS APPROVED FOR VAWA PROTECTIONS TO ANOTHER ECC/HANH OWNED SITE

Current residents of properties owned and/or managed by ECC who experience new incident(s) of domestic violence may request a unit transfer as a protection.

The resident would submit a completed VAWA certification or Form 5383 for Emergency Transfer Request to ECC's ~~Reasonable Accommodations~~ Resident Compliance and Support Manager.

The submission must also include supporting documentation of incident(s) of domestic violence including certification from a federal, state, tribal, territorial or local police; or protective order; or a signed certification by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of such abuse.

To qualify for the VAWA preference an incident of domestic violence must have taken place no more than 90 calendar days prior to date of ECC/HANH's receipt of the VAWA application request for a transfer.

Resident families approved for protections will be added to ECC's LIPH transfer list. The resident families will be offered units in LIPH and RAD properties, and ECC owned properties managed by a 3rd party entity.

~~4- HCV OPTION FOR APPLICANTS ON LIPH SITE BASED WAITING LISTS WITH VAWA WAIT LIST PREFERENCE~~

~~Each Month, the Reasonable Accommodations Manager (RAM) or designee will determine how many families have been on a site-based LIPH wait lists for a period of 90 days. The RAM will then contact the HCV Manager or designee to determine if vouchers are available for said families.~~

~~When vouchers are available, the Reasonable Accommodations Manager will contact the families who have been on the LIPH waiting list for a period of 90 days. The Reasonable Accommodation Manager will use the date of receipt of pre-app, since family will have a different position number on each development list).~~

~~These families will be invited to an informational session to discuss their choice of or waiting for a LIPH unit.~~

~~Families will then indicate their preference in writing within 10 business days of the informational session by using the election form provided at the session. The offer to opt for a Housing Choice Voucher will only occur once for each family.~~

~~The names of the applicants choosing vouchers will be provided to the HCV department for inclusion on the HCV TBV wait list with the VAWA preference. The HCV department will conduct briefings and voucher issuances for the families. Families that choose a voucher but later opt to stay on the LIPH waitlist, instead of using the voucher, will be able to do so.~~

~~The family must provide written notification of such decision to ECC prior to the lease & Housing Assistance Contract signing with ECC/HANH's HCV staff.~~

~~Applicants who choose and utilize the voucher will remain on the LIPH wait lists without a preference unless the family requests, in writing, to be removed from the waitlist, or when other circumstances outlined in the ACOP warranting removal from the waitlist occur.~~

~~Families who opt out of receiving a voucher and choose to remain on LIPH wait lists will do so with the VAWA preference.~~

4-IV. C HCV OPTION FOR RESIDENTS ON THE “LIPH” TRANSFER LIST WITH A VAWA PREFERENCE

ECC will offer ~~two relocation options to~~ resident families who experience new incidents of domestic violence and are ~~approved for inclusion~~ on the LIPH transfer list with a VAWA preference the following option.

Option 1

Each month, the ~~Reasonable Accommodations~~Resident Compliance and Support Manager (~~RAMRCSM~~) or designee will determine how many families have been on the “LIPH” Transfer wait list for more than 90 days. The ~~Reasonable Accommodation~~Resident Compliance and Support Manager will then contact the HCV Manager or designee to determine if tenant-based vouchers (TBV) are available for said families.

When vouchers are available, the ~~Reasonable Accommodations~~Resident Compliance and Support Manager will contact families from the LIPH transfer wait list who were on the list for more than 90 days, did not receive and accept a unit transfer offer and were not previously contacted for a housing voucher (using date of the approval for the VAWA preference).

These families will be invited to an informational session to discuss their choice of receiving a voucher or remaining on the transfer list awaiting a LIPH unit transfer offer.

The families will then indicate their preference in writing within 10 business days of the informational session by using the election form provided at the session. The offer to opt for a Housing Choice Voucher will only occur once for each family.

Those resident families choosing vouchers will be added to the HCV VAWA transfer list. Names will be provided to the HCV Dept. for briefing and voucher issuance.

The family will remain a LIPH family with no loss of rights until they have been offered a voucher, signed a lease and a HAP contract is executed by ECC/HANH and a property owner on behalf of the family.

If a family chooses a voucher but later opts to stay on the LIPH transfer list instead of using the voucher, the family will be able to do so.

However, the written notification by the family **must occur prior** to the lease signing with another property owner and execution of a Housing Assistance Contract by ECC/HANH HCV staff and property owner.

Option 2

~~Per Notice PIH 2021-15 (HA), issued May 5, 2021.~~

~~The Emergency Housing Voucher (EHV) program is available through the **American Rescue Plan Act of 2021 (P.L. 117-2) (ARP)**.~~

~~The U.S. Department of Housing and Urban Development (HUD) has awarded 37 of Emergency Housing Vouchers (EHVs) to the ECC/HANH to be used to assist individuals and families who are:~~

- ~~(1) homeless;~~
- ~~(2) at risk of homelessness;~~
- ~~(3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking; or~~
- ~~(4) recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.~~

~~NOTE: Recently homeless individuals and families must always be referred by the CoC or it's designee.~~

~~HUD has established an alternative requirement under which ECC/HANH must enter into a Memorandum of Understanding (MOU), to establish a partnership with the Continuum of Care (CoC) or other homeless or victim service providers, to assist qualifying families through a direct referral process for the administration of the EHVs. The specific services that the CoC will provide is outlined in the MOU.~~

~~HUD has allocated 37 emergency housing vouchers (EHV) to ECC/HANH. ECC/HANH has partnered with Continuum of Care (CoC) as the referral agency for eligible VAWA families.~~

~~Families with a VAWA preference may be referred to the CoC for an EHV.~~

~~The HCV Manager will request VAWA names from the Reasonable Accommodation Coordinator. The HCV Manager will forward the referral list to the CoC for review. The CoC will assess the families, make a determination of which families are eligible for the EHV. Based on available EHV the qualifying families will be submitted through the direct referral process to HCV.~~

~~The CoC will be responsible for:~~

- ~~• prioritizing individuals and families for EHV assistance,~~
- ~~• determining the homelessness eligibility,~~
- ~~• referring individuals and families through the CoC's coordinated entry (CE) system,~~
- ~~• supporting individuals and families in processing voucher applications,~~
- ~~• supporting the housing search process,~~
- ~~• planning for and coordinating the delivery of supportive services to support the housing stability of EHV participants.~~

~~After September 30, 2023, ECC/HANH may not reissue any previously leased EHV, regardless of when the assistance for the formerly assisted family ends or ended.~~

~~Those families who do not qualify for an EHV, will remain active on the LIPH transfer list and the HCV VAWA transfer list.~~

4-IV. D INTERAGENCY RELOCATION AGREEMENT WITH COOPERATING PHAS VAWA ADMISSIONS

ECC/HANH may have executed agreements with cooperating Connecticut PHAs to house each other's residents who are victims of domestic violence. This would occur after the initial PHA has unsuccessfully exercised all efforts to safely relocate the family.

Families Referred to ECC

ECC/HANH will require a referring PHA, that has made several attempts to relocate a family who is current victim of domestic violence to ECC/HANH. ECC/HANH will require the referring PHA to submit a statement that outlines what relocation attempts were made, including dates and outcomes.

Upon the receipt of a referral from the referring PHA, ECC/HANH will:

1. Add the referred applicant to the appropriate waiting lists with a VAWA preference. This preference will only apply if there is an agreement with another housing authority.
2. Offer a unit accordingly as the family reaches the top of the waiting list
- ~~2.3.~~

ECC/HANH will advise the referring PHA and family of their status on the wait list and that they will be housed accordingly.

Once the family reaches the top of the ECC/HANH wait list, ECC/HANH will advise the cooperating PHA and family, of the availability of a unit and will proceed to house the family accordingly.

ECC/HANH will follow the Eligibility Determination, Unit Offer and Lease Up policy and procedures.

When the unit is ready to be leased by the family, ECC/HANH and the referring PHA will coordinate an End of Participation recertification by the referring PHA and a New Admission recertification by ECC/HANH for PIC submission.

Each referred family will receive 1 unit offer from ECC/HANH unless mitigating circumstances exist.

ECC referrals to cooperating PHA

When an ECC/HANH resident family has experienced new incidents of domestic violence and ECC has made several unsuccessful attempts to relocate the family within the ECC/HANH portfolio, ECC/HANH will refer the family to the cooperating PHA for relocation. At the time of the referral, ECC/HANH will provide a statement of all efforts made to relocate the Family to a safe environment.

The cooperating PHA will house the ECC/HANH resident according to their policies and procedures and admission criteria.

Note: VAWA requirements and PHA policies including definitions, notification, documentation, and confidentiality can be found in chapter 16. Specific VAWA requirements and PHA policies are located in Chapter 3, “Eligibility” (sections 3-I.C and 3-III.F); Chapter 5, “Occupancy Standards and Unit Offers” (section 5-II.D); Chapter 8, “Leasing and Inspections” (section 8-I.B); Chapter 12, “Transfer Policy” (sections 12-III.C, 12-III.F, and 12-IV.D); and Chapter 13, “Lease Terminations” (sections 13-III.F and 13-IV.D).

Chapter 6

INCOME AND RENT DETERMINATIONS

[24 CFR Part 5, Subparts E and F; 24 CFR 960, Subpart C]

INTRODUCTION

A family's annual income is used to determine their income eligibility for the Public Housing program and is also used to calculate the amount of the family's rent payment. ECC/HANH will use the policies and methods described in this chapter to ensure that only income-eligible families receive assistance and that no family pays more or less rent than is required under the regulations.

ECC/HANH Policy

As ECC/HANH is a Moving-to-Work Agency, HUD allows ECC/HANH to simplify the income and rent determination policies and processes for the standard public housing program.

This chapter describes HUD regulations and ECC/HANH policies related to these topics in three parts as follows:

Part I: Annual Income. ECC/HANH policies for calculating annual income are found in Part I.

Part II: Monthly Income Tiered Rent and Total Tenant Payment (TTP). The family's annual income is compared to a Simplified Rent Table to determine the family's Monthly Income Tiered Rent (TTP). The Simplified Rent Table takes into consideration average adjustments that would be made to a family's annual income based on existing HUD regulations, resulting in the Total Tenant Payment (TTP). Families experiencing \$2,000 or more in allowable income deduction adjustments will then experience a reduction in their TTP.

Part III: Rent. Describes the application of applicable utility allowances for determining rent. Also included here are flat rents and the family's choice in rents.

ECC/HANH'S RENT SIMPLIFICATION

ECC/HANH's method of determining income and rent is a four-part process:

1. Calculate the family's Annual Income

With exceptions as clearly outlined in this Chapter within Part I: Annual Income, ECC/HANH follows HUD requirements for calculating a family's Annual Income.

Exceptions are:

- Excluding all earned income of an adult full-time student (other than the head-of-household, spouse or co-head), rather than excluding only that amount of earnings that exceeds \$480 per year;

- Excluding all adoption assistance payments received by a family, rather than excluding only that amount of adoption assistance payments that exceeds \$480 per year;
- Excluding the incremental increase of earnings and benefits resulting from participation in a federal training program, rather than limiting such exclusion to the incremental increase of earnings and benefits resulting from a state or local training program for FSS participants;
- Specific additional changes for families enrolled in the Family Self-Sufficiency (FSS) programs;
- Not including income from assets in the calculation of annual income unless the market value of combined assets is \$50,000 or more.

These exceptions result in two positive outcomes:

- Reduces the amount of income included in applicable families' annual income; and
 - Eases the inherent administrative burden of calculating a family's annual income.
2. Determine the family's Monthly Income Tiered Rent (TTP) based on the family's annual income.

As presented in this Chapter within Part II: Monthly Income Tiered Rent and TTP, the family's annual income is compared to a Simplified Rent Table (Tiered Rent Chart) which utilizes income ranges in order to determine the family's Monthly Income Tiered Rent (TTP). The Simplified Rent Table takes into consideration average adjustments that would be made to a family's annual income based on existing HUD regulations.

If a family's annual income is less than \$2,500, the family's Monthly Income Tiered Rent (TTP) will be ECC/HANH's minimum rent of \$50. However, these families may apply for a minimum rent hardship exemption. If a minimum rent hardship exemption is granted, the family's TTP will be \$0.

3. Application of Exceptional Expenses, if applicable.

As further presented in this Chapter within Part II: Total Tenant Payment, families experiencing \$2,000 or more in allowable income deduction adjustments will experience a reduction in their TTP.

4. Calculating Family Rent.

Part III: Calculating Family Rent describes use of utility allowances, and the methodology for determining family rent.

PART I: ANNUAL INCOME

6-I.A. OVERVIEW

The general regulatory definition of *annual income* shown below is from 24 CFR 5.609.

5.609 Annual income.

(a) Annual income means all amounts, monetary or not, which:

(1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

(2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

(3) Which are not specifically excluded in paragraph [5.609(c)].

(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

In addition to this general definition, HUD regulations establish policies for treating specific types of income and assets. The full texts of those portions of the regulations are provided in exhibits at the end of this chapter as follows:

- Annual Income Inclusions (Exhibit 6B-1)
- Annual Income Exclusions (Exhibit 6B-2)
- Treatment of Family Assets (Exhibit 6B-3)
- Earned Income Disallowance (Exhibit 6B-4)
- The Effect of Welfare Benefit Reduction (Exhibit 6B-5)

Sections 6B-I.B and 6B-I.C discuss general requirements and methods for calculating annual income. The rest of this section describes how each source of income is treated for the purposes of determining annual income. HUD regulations present income inclusions and exclusions separately [24 CFR 5.609(b) and 24 CFR 5.609(c)]. In this ACOP, however, the discussions of income inclusions and exclusions are integrated by topic (e.g., all policies affecting earned income are discussed together in section 6B-I.D). Verification requirements for annual income are discussed in Chapter 7.

6-I.B. HOUSEHOLD COMPOSITION AND INCOME

Income received by all family members must be counted unless specifically excluded by the regulations. It is the responsibility of the head of household to report changes in family composition. The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

Summary of Income Included and Excluded by Person	
Live-in aides	Income from all sources is excluded [24 CFR 5.609(c)(5)].
Foster child or foster adult	Income from all sources is excluded [24 CFR 5.609(c)(2)].
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded by the regulations or policy are included.
Children under 18 years of age	Employment income is excluded [24 CFR 5.609(c)(1)]. All other sources of income, except those specifically excluded by the regulations or policy, are included.
Full-time students 18 years of age or older (not head, spouse, or cohead)	ECC/HANH Policy: All employment income is excluded [24 CFR 5.609(c)(11)]. All other sources of income, except those specifically excluded by the regulations or policy, are included.

Temporarily Absent Family Members

The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit [HCV GB, p. 5-18].

ECC/HANH Policy

Generally an individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally an individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students

ECC/HANH Policy

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to ECC/HANH indicating that the student has established a separate household or the family declares that the student has established a separate household.

Absences Due to Placement in Foster Care

Children temporarily absent from the home as a result of placement in foster care are considered members of the family [24 CFR 5.403].

ECC/HANH Policy

If a child has been placed in foster care, ECC/HANH will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

Absent Head, Spouse, or Cohead

ECC/HANH Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment or incarceration will continue to be considered a family member.

Individuals Confined for Medical Reasons

ECC/HANH Policy

ECC/HANH will request verification of the family member's permanent absence from a responsible medical professional. If the responsible medical professional cannot provide a determination, the person will be considered temporarily absent.

If the family certifies that the family member is confined on a permanent basis, they may present, and ECC/HANH will consider, any additional documentation or evidence.

If the family member is expected to be temporarily absent for more than 180 calendar days, ECC/HANH may require reverification of the temporary absent status.

ECC/HANH's decision is subject to reasonable accommodation requirements.

Joint Custody of Children

ECC/HANH Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or resident family 50 percent or more of the time.

When more than one applicant or assisted family (regardless of program) are claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, ECC/HANH will make the determination based on available documents such as court orders, an IRS income tax return showing which family has claimed the child for income tax purposes, school records, or other credible documentation.

Caretakers for a Child

ECC/HANH Policy

The approval of a caretaker is at ECC/HANH's discretion and subject to the ECC/HANH's screening criteria. If neither a parent nor a designated guardian remains in a household, ECC/HANH will take the following actions:

If a responsible agency has determined that another adult is to be brought into the unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.

If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases ECC/HANH will extend the caretaker's status as an eligible visitor.

At any time that custody or guardianship legally has been awarded to a caretaker, the lease will be transferred to the caretaker, as head of household.

During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income.

6-I.C. ANTICIPATING ANNUAL INCOME

ECC/HANH is required to count all income "anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date" [24 CFR 5.609(a)(2)]. Policies related to anticipating annual income are provided below.

Basis of Annual Income Projection

ECC/HANH generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes ECC/HANH to use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected [HCV GB, p. 5-17]
- It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income) [24 CFR 5.609(d)]
- ECC/HANH believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]

ECC/HANH Policy

If ECC/HANH cannot anticipate annual income for a full 12-month period, ECC/HANH will average known sources of income that vary in order to calculate annual income.

If a family member is a seasonal employee, ECC/HANH will average the income across 12 months when annualizing.

Example 1: ECC/HANH is conducting Mr. Quinn’s biennial reexamination. Mr. Quinn works in construction 8 months of the year, earning \$1,500 a month. He is paid cash. The remaining months he receives no income.

ECC/HANH will annualize his income: $\$1,500 \times 8 = \$12,000$ whether or not he is working at the time of his biennial reexamination.

No interim will be conducted if Mr. Quinn was working at the time of his biennial reexamination and then reports that income stopped due to this regular layoff. Nor will an interim be conducted when Mr. Quinn resumes work at this regular job.

Example 2: Ms. Marie works as a school bus driver 10 months out of the year earning \$15,000 from this employment. The remaining 2 months, she draws \$1,500 a month in unemployment benefits. ECC/HANH will calculate Ms. Marie’s annual income to be \$18,000 ($\$15,000 + \$3,000 (\$1,500 \times 2)$).

No interim will be conducted when Ms. Marie starts or stops working.

Income from the previous year may be analyzed to determine the amount to anticipate when third party verification is not available or reliable.

If by averaging, an estimate can be made for those families whose income fluctuates from month-to-month, this estimate will be used so that housing payments will not change from month-to-month.

This method used depends on the regularity, source, and type of income.

ECC/HANH is required to use HUD’s Enterprise Income Verification (EIV) system in its entirety as a third party source to verify employment and income information, and to reduce administrative subsidy payment errors in accordance with HUD administrative guidance [24 CFR 5.233(a)(2)].

HUD allows ECC/HANH to use tenant-provided documents to project income once EIV data has been received in such cases where the family does not dispute the EIV employer data and where ECC/HANH does not determine it is necessary to obtain additional third-party data.

ECC/HANH Policy

An EIV Report is required for all family members 18 year or older, to capture all public income sources. EIV Reports should be treated as confidential documents and handled according to internal privacy protocols.

The HOTMA final rule revises § 5.233(a)(2)(i) to clarify that the use of EIV is required only at annual reexaminations, and not at interim reexaminations. However, ECC/HANH may use EIV for interim reexaminations if desired.

Note: Per the ECC/HANH Annual MTW Plan, Initiative 3.1, Rent Simplification, ECC/HANH has authorization for biennial and triennial recertification cycles.

When EIV is obtained and the family does not dispute the EIV employer data, ECC/HANH will use current tenant-provided documents to project annual income. When the tenant-provided documents are pay stubs, ECC/HANH will make every effort to obtain current and consecutive pay stubs dated within the last 60 days.

ECC/HANH will obtain written and/or oral third-party verification in accordance with the verification requirements and policy in Chapter 7 in the following cases:

If EIV or other UIV data is not available,

If the family disputes the accuracy of the EIV employer data, and/or

If ECC/HANH determines additional information is needed.

In such cases, ECC/HANH will review and analyze current data to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how ECC/HANH annualized projected income.

When ECC/HANH cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), ECC/HANH will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.

Any time current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to ECC/HANH to show why the historic pattern does not represent the family's anticipated income.

Known Changes in Income

If ECC/HANH verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

Example: An employer reports that a full-time employee who has been receiving \$10/hour will begin to receive \$14.00/hour in the eighth week after the effective date of the reexamination. In such a case the PHA would calculate annual income as follows:
 $(\$10/\text{hour} \times 40 \text{ hours} \times 7 \text{ weeks}) + (\$14.00 \times 40 \text{ hours} \times 45 \text{ weeks}).$

When tenant-provided third-party documents are used to anticipate annual income, they will be dated within the last 60 days of the reexamination interview date.

Projecting Income

In HUD's EIV webcast of January 2008, HUD made clear that PHAs are not to use EIV quarterly wages to project annual income.

6-I.D. EARNED INCOME

Types of Earned Income Included in Annual Income

Wages and Related Compensation [24 CFR 5.609(b)(1)]

The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services is included in annual income.

ECC/HANH Policy

For persons who regularly receive bonuses or commissions, ECC/HANH will verify and then average amounts received for the two years preceding admission or reexamination. If only a one-year history is available, ECC/HANH will use the prior year amounts. In either case the family may provide, and ECC/HANH will consider, a credible justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, ECC/HANH will count only the amount estimated by the employer. The file will be documented appropriately.

Some Types of Military Pay

All regular pay, special pay and allowances of a member of the Armed Forces are counted [24 CFR 5.609(b)(8)] except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(c)(7)].

Types of Earned Income Not Counted in Annual Income

Temporary, Nonrecurring, or Sporadic Income [24 CFR 5.609(c)(9)]

This type of income (including gifts) is not included in annual income.

ECC/HANH Policy

Sporadic income is income that is not received periodically and cannot be reliably predicted. For example, the income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed.

Children's Earnings [24 CFR 5.609(c)(1)]

Employment income earned by children (including foster children) under the age of 18 years is not included in annual income. (See Eligibility chapter for a definition of *foster children*.)

Certain Earned Income of Full-Time Students

To be considered "full-time," a student must be considered "full-time" by an educational institution with a degree or certificate program [HCV GB, p. 5-29].

ECC/HANH Policy

All earnings of each full-time student 18 years old or older (except for the head, spouse, or cohead) are excluded from annual income.

Income of a Live-in Aide

Income earned by a live-in aide, as defined in [24 CFR 5.403], is not included in annual income [24 CFR 5.609(c)(5)]. (See Eligibility chapter for a full discussion of live-in aides.)

Income Earned under Certain Federal Programs [24 CFR 5.609(c)(17)]

Income from some federal programs is specifically excluded from consideration as income, including:

- Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
- Awards under the federal work-study program (20 U.S.C. 1087 uu)
- Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
- Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
- Allowances, earnings, and payments to participants in programs funded under the Workforce Investment Act of 1998 (29 U.S.C. 2931)

Resident Service Stipend [24 CFR 5.600(c)(8)(iv)]

Amounts received under a resident service stipend are not included in annual income. A resident service stipend is a modest amount (not to exceed \$200 per individual per month) received by a resident for performing a service for ECC/HANH, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of ECC/HANH's governing board. No resident may receive more than one such stipend during the same period of time [24 CFR 5.600(c)(8)(iv)].

State and Local Employment Training Programs

Incremental earnings and benefits to any family member resulting from participation in qualifying state or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded from annual income. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the training program [24 CFR 5.609(c)(8)(v)].

ECC/HANH Policy

ECC/HANH includes federal employment training programs under this rule along with state and local employment training programs for FSS Program participants only.

ECC/HANH defines *training program* as “a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual's ability to obtain employment. It may have performance standards to measure proficiency. Training may include, but is not limited to: (1) classroom training in a

specific occupational skill, (2) on-the-job training with wages subsidized by the program, or (3) basic education” [expired Notice PIH 98-2, p. 3].

ECC/HANH defines *incremental earnings and benefits* as the difference between: (1) the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program, and (2) the total amount of welfare assistance and earnings of the family member after enrollment in the program [expired Notice PIH 98-2, pp. 3–4].

In calculating the incremental difference, ECC/HANH will use as the pre-enrollment income the total annualized amount of the family member’s welfare assistance and earnings reported on the family’s most recently completed HUD-50058.

End of participation in a training program must be reported in accordance with ECC/HANH’s interim reporting requirements.

HUD-Funded Training Programs

Amounts received under training programs funded in whole or in part by HUD [24 CFR 5.609(c)(8)(i)] are excluded from annual income. Eligible sources of funding for the training include operating subsidy, Section 8 administrative fees, and modernization, Community Development Block Grant (CDBG), HOME program, and other grant funds received from HUD.

ECC/HANH Policy

To qualify as a training program, the program must meet the definition of *training program* provided above for state and local employment training programs.

Earned Income Tax Credit. Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j)), are excluded from annual income [24 CFR 5.609(c)(17)]. Although many families receive the EITC annually when they file taxes, an EITC can also be received throughout the year. The prorated share of the annual EITC is included in the employee’s payroll check.

ECC/HANH’s Incremental Earnings Increase Exclusion for Family Self-Sufficiency Program Participants

ECC/HANH Policy

In addition to the federal and HUD required exclusions, ECC/HANH has implemented an agency exclusion for FSS program participants (those families enrolled in the FSS program through execution of a form HUD-52650).

ECC/HANH shall exclude from the determination of Annual Income 100 percent of any incremental earnings increase from wages or salaries earned by any family member during the first year that family member is enrolled in ECC/HANH’s Family Self-Sufficiency Program; 75 percent exclusion for the second year the family member is enrolled in the FSS Program; 50 percent exclusion for the third year the family member is enrolled in the FSS Program; 25 percent exclusion for the fourth year the family member is enrolled in the FSS Program; and no exclusion in the fifth year of enrollment or thereafter.

The total number of months that a family may receive the FSS earned income exclusion and the EID may not exceed 48 months.

The family member cannot receive the FSS earned income exclusion during the same period the family member is receiving the Earned Income Disallowance (EID) (see Section 6.I-E). The family member's FSS income exclusion begins at the completion of the EID, provided that the 48-month time period has not expired. See the following three examples:

Example 1: Ms. Jones, head of household, has never been employed. She enrolls in ECC/HANH's FSS program effective 4/1/2015. On 6/1/2015, she begins working, earning \$10,000 a year. On 6/1/18, Ms. Jones' earnings increase to \$12,000 a year.

Year 1: Ms. Jones qualifies for the full exclusion under the EID.

Year 2: Ms. Jones enters the phase-in period under the EID.

Example 2: Ms. Nieto, a 24-year-old daughter of the head of household, has been working part-time for 3 years, earning \$7,000 per year. She has already received the EID exclusion (the full exclusion for 12 consecutive months and the 50% phase-in exclusion for 12 consecutive months). She enrolls in ECC/HANH's FSS program effective 3/1/2015. On 7/1/2015, she receives a raise and is now earning \$12,000 a year.

Year 1: 100% of the incremental increase in earnings is excluded (\$5,000).

Year 2: 75% of the incremental increase is excluded (\$3,750).

Ms. Nieto has now received a combined 48 month benefit (2 years EID, 2 years FSS income exclusion) and her exclusion therefore ends.

Example 3: Mr. Chin, head of household, began working on 4/1/2014, earning \$12,000 per year. He qualified for the EID at that time. Mr. Chin enrolls in ECC/HANH's FSS program effective 5/1/2015. On 6/1/2015, he receives a raise and is now earning \$20,000 / year.

Year 1: (Beginning 5/1/2015) At the time Mr. Chin enrolled in ECC/HANH's FSS program, he was in the EID phase-in period. The phase-in period continues until 3/31/2016. On 4/1/2016, Mr. Chin will have 1 month left in his first year period of participating in FSS. For that month, Mr. Chin's annual income will be calculated excluding \$8,000 per year.

Year 2: (Beginning 5/1/2016) 75% of the incremental increase is excluded (\$6,000).

Year 3: (Beg 5/1/2017) 50% of the incremental increase in earnings is excluded (\$4,000) ENDING 3/31/2018 as Mr. Chin will have received 48 months of combined exclusions.

4/1/14 – 3/31/15 (12 mo full EID exclusion) 4/1/15 – 3/31/16 (12 mo partial EID exclusion) 4/1/16 – 4/31/16 (1 mo full FSS exclusion) 5/1/16 – 4/31/17 (12 mo 75% FSS exclusion) 5/1/17 – 3/31/18 (11 mo 50% FSS exclusion).

6-I.E. EARNED INCOME DISALLOWANCE

[24 CFR 5.617]

The earned income disallowance (EID) encourages people to enter the work force by not including the full value of increases in earned income for a period of time. The full text of 24 CFR 5.617 is included as Exhibit 6B-4 at the end of this chapter. Eligibility criteria and limitations on the disallowance are summarized below.

Eligibility

This disallowance applies only to individuals in families already leased up in ECC/HANH's public housing program (not at initial examination). To qualify, the family must experience an increase in annual income that is the result of one of the following events:

- Employment of a family member who was previously unemployed for one or more years prior to employment. *Previously unemployed* includes a person who annually has earned not more than the minimum wage applicable to the community multiplied by 500 hours. The applicable minimum wage is the federal minimum wage unless there is a higher state or local minimum wage.
- Increased earnings by a family member whose earnings increase during participation in an economic self-sufficiency or job-training program. A self-sufficiency program includes a program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work to such families [24 CFR 5.603(b)].
- New employment or increased earnings by a family member who has received benefits or services under Temporary Assistance for Needy Families (TANF) or any other state program funded under Part A of Title IV of the Social Security Act within the past six months. If the benefits are received in the form of monthly maintenance, there is no minimum amount. If the benefits or services are received in a form other than monthly maintenance, such as one-time payments, wage subsidies, or transportation assistance, the total amount received over the six-month period must be at least \$500.

Calculation of the Disallowance

Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member's current income with his or her "prior income."

ECC/HANH Policy

ECC/HANH defines *prior income*, or *prequalifying income*, as the family member's last certified income prior to qualifying for the EID.

The family member's prior, or prequalifying, income remains constant (as a baseline) throughout the period that he or she is participating in the EID.

Initial 12-Month Exclusion

During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The 12 months are cumulative and need not be consecutive.

ECC/HANH Policy

The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

Second 12-Month Exclusion and Phase-In

During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings. The 12 months are cumulative and need not be consecutive.

Lifetime Limitation

The EID has a four-year (48-month) lifetime maximum. The four-year eligibility period begins at the same time that the initial exclusion period begins and ends 48 months later. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between Public Housing and Section 8 assistance, or if there are breaks in assistance.

ECC/HANH Policy

During the 48-month eligibility period, ECC/HANH will not schedule or conduct an interim reexamination each time there is a change in the family member's annual income that affects or is affected by the EID (e.g., when the family member's income falls to a level at or below his/her prequalifying income, when one of the exclusion periods ends, and at the end of the maximum eligibility period).

6-I.F. BUSINESS INCOME [24 CFR 5.609(b)(2)]

Annual income includes “the net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family” [24 CFR 5.609(b)(2)].

Business Expenses

Net income is “gross income less business expense” [HCV GB, p. 5-19].

ECC/HANH Policy

To determine business expenses that may be deducted from gross income, ECC/HANH will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is addressed by HUD regulations or guidance as described below.

Business Expansion

HUD regulations do not permit ECC/HANH to deduct from gross income expenses for business expansion.

ECC/HANH Policy

Business expansion is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

Capital Indebtedness

HUD regulations do not permit ECC/HANH to deduct from gross income the amortization of capital indebtedness.

ECC/HANH Policy

Capital indebtedness is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means ECC/HANH will allow as a business expense interest, but not principal, paid on capital indebtedness.

Negative Business Income

If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.

Withdrawal of Cash or Assets from a Business

HUD regulations require ECC/HANH to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family.

ECC/HANH Policy

Acceptable investments in a business include cash loans and contributions of assets or equipment. For example, if a member of a tenant family provided an up-front loan of \$2,000 to help a business get started, ECC/HANH will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid. Investments do not include the value of labor contributed to the business without compensation.

Co-owned Businesses

ECC/HANH Policy

If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference.

6-I.G. ASSETS [24 CFR 5.609(b)(3) and 24 CFR 5.603(b)]

Overview

There is no asset limitation for participation in the public housing program. However, HUD requires that ECC/HANH include in annual income the anticipated "interest, dividends, and other net income of any kind from real or personal property" [24 CFR 5.609(b)(3)]. This section discusses how the income from various types of assets is determined. For most types of assets,

ECC/HANH must determine the value of the asset in order to compute income from the asset. Therefore, for each asset type, this section discusses:

- How the value of the asset will be determined
- How income from the asset will be calculated

Exhibit 6B-1 provides the regulatory requirements for calculating income from assets [24 CFR 5.609(b)(3)], and Exhibit 6B-3 provides the regulatory definition of *net family assets*. This section begins with a discussion of general policies related to assets and then provides HUD rules and ECC/HANH policies related to each type of asset.

General Policies

ECC/HANH Policy

ECC/HANH will not include income from assets unless the total market value of all assets for the family equals \$50,000 or more.

Income from Assets

ECC/HANH generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset. As is true for all sources of income, HUD authorizes ECC/HANH to use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected (2) it is not feasible to anticipate a level of income over 12 months or (3) ECC/HANH believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income but the property is currently vacant, ECC/HANH can take into consideration past rental income along with the prospects of obtaining a new tenant.

ECC/HANH Policy

Any time current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the family may present information and documentation to ECC/HANH to show why the asset income determination does not represent the family's anticipated asset income.

Valuing Assets

The calculation of asset income sometimes requires ECC/HANH to make a distinction between an asset's market value and its cash value.

- The market value of an asset is its worth in the market (e.g., the amount a buyer would pay for real estate or the total value of an investment account).
- The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash.

ECC/HANH Policy

Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions [HCV GB, p. 5-28 and PH Occ GB, p. 121].

Lump-Sum Receipts

Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings, insurance settlements, and proceeds from the sale of property, are generally considered assets, not income. However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an asset (e.g., deposited in a savings or checking account) [RHIIP FAQs]. (For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see sections 6B-I.H and 6B-I.I.)

Imputing Income from Assets [24 CFR 5.609(b)(3), Notice PIH 2012-29]

ECC/HANH Policy

ECC/HANH will not include income from assets unless the total market value of all assets for the family equals \$50,000 or more. ECC/HANH will then include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income.

Imputed income from assets is calculated by multiplying the total cash value of all family assets by an average passbook savings rate as determined by ECC/HANH.

- Note: The HUD field office no longer provides an interest rate for imputed asset income. The “safe harbor” is now for ECC/HANH to establish a passbook rate within 0.75 percent of a national average.
- ECC/HANH must review its passbook rate annually to ensure that it remains within 0.75 percent of the national average.

ECC/HANH Policy

ECC/HANH initially set the imputed asset passbook rate at 0%, within the national rate established by the Federal Deposit Insurance Corporation (FDIC).

ECC/HANH will review the passbook rate annually, in August of each year. The rate will not be adjusted unless the current ECC/HANH rate is no longer within 0.75 percent of the national rate. If it is no longer within 0.75 percent of the national rate, the passbook rate will be set at the current national rate. Changes to the passbook rate will take effect on October 1 following the August review.

Determining Actual Anticipated Income from Assets

It may or may not be necessary for ECC/HANH to use the value of an asset to compute the actual anticipated income from the asset. When the value is required to compute the anticipated income from an asset, the market value of the asset is used. For example, if the asset is a property for which a family receives rental income, the anticipated income is determined by annualizing the actual monthly rental amount received for the property; it is not based on the property’s market value. However, if the asset is a savings account, the anticipated income is determined by multiplying the market value of the account by the interest rate on the account.

Withdrawal of Cash or Liquidation of Investments

Any withdrawal of cash or assets from an investment will be included in income except to the extent that the withdrawal reimburses amounts invested by the family. For example, when a

family member retires, the amount received by the family from a retirement investment plan is not counted as income until the family has received payments equal to the amount the family member deposited into the retirement investment plan.

Jointly Owned Assets

The regulation at 24 CFR 5.609(a)(4) specifies that annual income includes “amounts derived (during the 12-month period) from assets to which any member of the family has access.”

ECC/HANH Policy

If an asset is owned by more than one person and any family member has unrestricted access to the asset, ECC/HANH will count the full value of the asset. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.

If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, ECC/HANH will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, ECC/HANH will prorate the asset evenly among all owners.

Assets Disposed Of for Less than Fair Market Value [24 CFR 5.603(b)]

HUD regulations require ECC/HANH to count as a current asset any business or family asset that was disposed of for less than fair market value during the two years prior to the effective date of the examination/reexamination, except as noted below.

Minimum Threshold

ECC/HANH may set a threshold below which assets disposed of for less than fair market value will not be counted [HCV GB, p. 5-27].

ECC/HANH Policy

ECC/HANH will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than \$1,000.

When the two-year period expires, the income assigned to the disposed asset(s) also expires. If the two-year period ends between recertifications, the family may request an interim recertification to eliminate consideration of the asset(s).

Assets placed by the family in nonrevocable trusts are considered assets disposed of for less than fair market value except when the assets placed in trust were received through settlements or judgments.

Separation or Divorce

The regulation also specifies that assets are not considered disposed of for less than fair market value if they are disposed of as part of a separation or divorce settlement and the applicant or tenant receives important consideration not measurable in dollar terms.

ECC/HANH Policy

All assets disposed of as part of a separation or divorce settlement will be considered assets for which important consideration not measurable in monetary terms has been received. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

Foreclosure or Bankruptcy

Assets are not considered disposed of for less than fair market value when the disposition is the result of a foreclosure or bankruptcy sale.

Family Declaration

ECC/HANH Policy

Families must sign a declaration form at initial certification and each annual recertification identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value. ECC/HANH may verify the value of the assets disposed of if other information available to the ECC/HANH does not appear to agree with the information reported by the family.

Types of Assets

Checking and Savings Accounts

For regular checking accounts and savings accounts, *cash value* has the same meaning as *market value*. If a checking account does not bear interest, the anticipated income from the account is zero.

ECC/HANH Policy

For families with a total market value of assets of less than \$50,000, only a self-certification is required to verify the value of assets.

In determining the value of a checking account, ECC/HANH will use current balance.

In determining the value of a savings account, ECC/HANH will use the current balance.

In determining the anticipated income from an interest-bearing checking or savings account, ECC/HANH will multiply the value of the account by the current rate of interest paid on the account.

Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds

Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested. The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

ECC/HANH Policy

In determining the market value of an investment account, ECC/HANH will use the value of the account on the most recent investment report.

How anticipated income from an investment account will be calculated depends on whether the rate of return is known. For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings). When the anticipated rate of return is not known (e.g., stocks), ECC/HANH will calculate asset income based on the earnings for the most recent reporting period.

Equity in Real Property or Other Capital Investments

Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset [HCV GB, p. 5-25 and PH, p. 121].

ECC/HANH Policy

In determining the equity, ECC/HANH will determine market value by examining recent sales of at least three properties in the surrounding or similar neighborhood that possess comparable factors that affect market value.

ECC/HANH will first use the payoff amount for the loan (mortgage) as the unpaid balance to calculate equity. If the payoff amount is not available, ECC/HANH will use the basic loan balance information to deduct from the market value in the equity calculation.

Equity in real property and other capital investments is considered in the calculation of asset income **except** for the following types of assets:

- Equity accounts in HUD homeownership programs [24 CFR 5.603(b)]
- Equity in real property when a family member's main occupation is real estate [HCV GB, p. 5-25]. This real estate is considered a business asset, and income related to this asset will be calculated as described in section 6B-I.F.
- Interests in Indian Trust lands [24 CFR 5.603(b)]
- Real property and capital assets that are part of an active business or farming operation [HCV GB, p. 5-25]

ECC/HANH must also deduct from the equity the reasonable costs for converting the asset to cash. Using the formula for calculating equity specified above, the net cash value of real property is the market value of the loan (mortgage) minus the expenses to convert to cash [Notice PIH 2012-3].

ECC/HANH Policy

For the purposes of calculating expenses to convert to cash for real property, ECC/HANH will use ten percent of the market value of the home.

A family may have real property as an asset in two ways: (1) owning the property itself and (2) holding a mortgage or deed of trust on the property. In the case of a property owned by a family member, the anticipated asset income generally will be in the form of rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero.

In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income.

ECC/HANH Policy

In the case of capital investments owned jointly with others not living in a family's unit, a prorated share of the property's cash value will be counted as an asset unless ECC/HANH determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

Trusts

A *trust* is a legal arrangement generally regulated by state law in which one party (the creator or grantor) transfers property to a second party (the trustee) who holds the property for the benefit of one or more third parties (the beneficiaries).

Revocable Trusts

If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered an asset [HCV GB, p. 5-25]. Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust.

Nonrevocable Trusts

In cases where a trust is not revocable by, or under the control of, any member of a family, the value of the trust fund is not considered an asset. However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt, as appropriate [24 CFR 5.603(b)]. (Periodic payments are covered in section 6B-I.H. Lump-sum receipts are discussed earlier in this section.)

Retirement Accounts

Company Retirement/Pension Accounts

In order to correctly include or exclude as an asset any amount held in a company retirement or pension account by an employed person, the PHA must know whether the money is accessible before retirement [HCV GB, p. 5-26].

While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset [HCV GB, p. 5-26].

After a family member retires or terminates employment, any amount distributed to the family member is counted as a periodic payment or a lump-sum receipt, as appropriate [HCV GB, p. 5-26], except to the extent that it represents funds invested in the account by the family member. (For more on periodic payments, see section 6B-I.H.) The balance in the account is counted as an asset only if it remains accessible to the family member.

IRA, Keogh, and Similar Retirement Savings Accounts

IRA, Keogh, and similar retirement savings accounts are counted as assets even though early withdrawal would result in a penalty [HCV GB, p. 5-25].

Personal Property

Personal property held as an investment, such as gems, jewelry, coin collections, antique cars, etc., is considered an asset [HCV GB, p. 5-25].

ECC/HANH Policy

In determining the value of personal property held as an investment, ECC/HANH will use the family's estimate of the value. ECC/HANH may obtain an appraisal to confirm the value of the asset if there is reason to believe that the family's estimated value is off by \$50 or more. The family must cooperate with the appraiser, but cannot be charged any costs related to the appraisal.

Generally, personal property held as an investment generates no income until it is disposed of. If regular income is generated (e.g., income from renting the personal property), the amount that is expected to be earned in the coming year is counted as actual income from the asset.

Necessary items of personal property are not considered assets [24 CFR 5.603(b)].

ECC/HANH Policy

Necessary personal property consists of only those items not held as an investment, and may include clothing, furniture, household furnishings, jewelry, and vehicles, including those specially equipped for persons with disabilities.

Life Insurance

The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets [HCV GB 5-25]. The cash value is the surrender value. If such a policy earns dividends or interest that the family could elect to receive, the anticipated amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

6-I.H. PERIODIC PAYMENTS

Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are and are not included in annual income.

Periodic Payments Included in Annual Income

- Periodic payments from sources such as social security, unemployment and welfare assistance, annuities, insurance policies, retirement funds, and pensions. However, periodic payments from retirement accounts, annuities, and similar forms of investments are counted only after they exceed the amount contributed by the family [24 CFR 5.609(b)(4) and (b)(3)].
- Disability or death benefits and lottery receipts paid periodically, rather than in a single lump sum [24 CFR 5.609(b)(4) and HCV, p. 5-14]

Lump-Sum Payments for the Delayed Start of a Periodic Payment

Most lump sums received as a result of delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income. However, lump-sum receipts for the delayed start of periodic social security or supplemental security income (SSI) payments are not counted as income. Additionally, any deferred disability benefits that are received in a lump sum or in prospective monthly amounts from the Department of Veterans Affairs are to be excluded from annual income [24 CFR 5.609(c)(14)].

ECC/HANH Policy

When a delayed-start payment is received and reported during the period in which ECC/HANH is processing a reexamination, ECC/HANH will adjust the tenant rent retroactively for the period the payment was intended to cover. The family may pay in full any amount due or request to enter into a repayment agreement with ECC/HANH.

Treatment of Overpayment Deductions from Social Security Benefits

ECC/HANH must make a special calculation of annual income when the Social Security Administration (SSA) overpays an individual, resulting in a withholding or deduction from his or her benefit amount until the overpayment is paid in full. The amount and duration of the withholding will vary depending on the amount of the overpayment and the percent of the benefit rate withheld. Regardless of the amount withheld or the length of the withholding period, ECC/HANH must use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount [Notice PIH 2012-10].

Periodic Payments Excluded from Annual Income

- Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone) [24 CFR 5.609(c)(2)]. Kinship care payments are considered equivalent to foster care payments and are also excluded from annual income [Notice PIH 2012-1].

ECC/HANH Policy

ECC/HANH will exclude payments for the care of foster children and foster adults only if the care is provided through an official arrangement with a local welfare agency [HCV GB, p. 5-18].

- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)]
- Amounts received under the Low-Income Home Energy Assistance Program (42 U.S.C. 1626(c)) [24 CFR 5.609(c)(17)]
- Amounts received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q) [24 CFR 5.609(c)(17)]
- Earned Income Tax Credit (EITC) refund payments (26 U.S.C. 32(j)) [24 CFR 5.609(c)(17)].
Note: EITC may be paid periodically if the family elects to receive the amount due as part of payroll payments from an employer.

- Lump sums received as a result of delays in processing Social Security and SSI payments (see section 6B-I.H.) [24 CFR 5.609(c)(14)].
- Lump-sums or prospective monthly amounts received as deferred disability benefits from the Department of Veterans Affairs (VA) [24 CFR 5.609(c)(14)].

6-I.I. PAYMENTS IN LIEU OF EARNINGS

Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay, are counted as income [24 CFR 5.609(b)(5)] if they are received either in the form of periodic payments or in the form of a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment. If they are received in a one-time lump sum (as a settlement, for instance), they are treated as lump-sum receipts [24 CFR 5.609(c)(3)]. (See also the discussion of periodic payments in section 6B-I.H and the discussion of lump-sum receipts in section 6B-I.G.)

6-I.J. WELFARE ASSISTANCE

Overview

Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy Families (TANF) and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state, or local governments [24 CFR 5.603(b)].

Sanctions Resulting in the Reduction of Welfare Benefits [24 CFR 5.615]

ECC/HANH must make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The full text of the regulation at 24 CFR 5.615 is provided as Exhibit 6B-5. The requirements are summarized below. This rule applies only if a family was a public housing resident at the time the sanction was imposed.

Covered Families

The families covered by 24 CFR 5.615 are those “who receive welfare assistance or other public assistance benefits (‘welfare benefits’) from a State or other public agency (‘welfare agency’) under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance” [24 CFR 5.615(b)]

Imputed Income

When a welfare agency imposes a sanction that reduces a family's welfare income because the family commits fraud or fails to comply with the agency's economic self-sufficiency program or work activities requirement, ECC/HANH must include in annual income “imputed” welfare income. ECC/HANH must request that the welfare agency provide the reason for the reduction of benefits and the amount of the reduction of benefits. The imputed welfare income is the amount that the benefits were reduced as a result of the sanction.

This requirement does not apply to reductions in welfare benefits: (1) at the expiration of the lifetime or other time limit on the payment of welfare benefits, (2) if a family member is unable to find employment even though the family member has complied with the welfare agency

economic self-sufficiency or work activities requirements, or (3) because a family member has not complied with other welfare agency requirements [24 CFR 5.615(b)(2)].

For special procedures related to grievance hearings based upon ECC/HANH's denial of a family's request to lower rent when the family experiences a welfare benefit reduction, see Chapter 14, Grievances and Appeals.

Offsets

The amount of the imputed welfare income is offset by the amount of additional income the family begins to receive after the sanction is imposed. When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero [24 CFR 5.615(c)(4)].

6-I.K. PERIODIC AND DETERMINABLE ALLOWANCES [24 CFR 5.609(b)(7)]

Annual income includes periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing with a tenant family.

Alimony and Child Support

ECC/HANH must count alimony or child support amounts awarded as part of a divorce or separation agreement.

ECC/HANH Policy

ECC/HANH will count court-awarded amounts for alimony and child support unless ECC/HANH verifies that: (1) the payments are not being made, and (2) the family has made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments [HCV GB, pp. 5-23 and 5-47].

Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.

If alimony or child support payments actually received are erratic, ECC/HANH will obtain and use as annual income the amount received for the most recent completed twelve months.

Regular Contributions or Gifts

ECC/HANH must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with a tenant family [24 CFR 5.609(b)(7)]. Temporary, nonrecurring, or sporadic income and gifts are not counted [24 CFR 5.609(c)(9)].

ECC/HANH Policy

Examples of regular contributions include: (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments), (2) cash or other liquid assets provided to any family member on a regular basis, and (3) "in-kind" contributions such as groceries and clothing provided to a family on a regular basis.

Nonmonetary contributions will be valued at the cost of purchasing the items, as determined by ECC/HANH. For contributions that may vary from month to month (e.g., utility payments), ECC/HANH will include an average amount based upon past history.

6-I.L. ADDITIONAL EXCLUSIONS FROM ANNUAL INCOME

Other exclusions contained in 24 CFR 5.609(c) and updated by FR Notice 5/20/14 that have not been discussed earlier in this chapter include the following:

- Reimbursement of medical expenses [24 CFR 5.609(c)(4)]
- The full amount of student financial assistance paid directly to the student or to the educational institution [24 CFR 5.609(c)(6)].

ECC/HANH Policy

Regular financial support from parents or guardians to students for food, clothing personal items, and entertainment **is not** considered student financial assistance and is included **in** annual income.

- Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program [24 CFR 5.609(c)(8)(iii)]
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) [(24 CFR 5.609(c)(8)(ii)]
- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era [24 CFR 5.609(c)(10)]
- Adoption assistance payments in excess of \$480 per adopted child [24 CFR 5.609(c)(12)]

ECC/HANH Policy

ECC/HANH excludes all amounts of adoption assistance payments.

- Refunds or rebates on property taxes paid on the dwelling unit [24 CFR 5.609(c)(15)]
- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)]
- Amounts specifically excluded by any other federal statute [24 CFR 5.609(c)(17), FR Notice 5/20/14]. HUD publishes an updated list of these exclusions periodically. It includes:
 - (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b))
 - (b) Benefits under Section 1780 of the School Lunch Act and Child Nutrition Act of 1966, including WIC
 - (c) Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)

- (d) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c))
- (e) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e)
- (f) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f))
- (g) Payments received under programs funded in whole or in part under the Workforce Investment Act of 1998 (29 U.S.C. 2931)
- (h) Deferred disability benefits from the Department of Veterans Affairs, whether received as a lump sum or in monthly prospective amounts
- (i) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04)
- (j) Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b))
- (k) A lump sum or periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the United States District Court case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010
- (l) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408)
- (m) Benefits under the Indian Veterans Housing Opportunity Act of 2010 (only applies to Native American housing programs)
- (n) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
- (o) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent Orange* product liability litigation, M.D.L. No. 381 (E.D.N.Y.)
- (p) Payments received under 38 U.S.C. 1833(c) to children of Vietnam veterans born with spinal bifida, children of women Vietnam veterans born with certain birth defects, and children of certain Korean service veterans born with spinal bifida
- (q) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721)
- (r) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q)
- (s) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j))

- (t) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433)
- (u) Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs, the exception found in § 237 of Public Law 109–249 applies and requires that the amount of financial assistance in excess of tuition shall be considered income in accordance with the provisions codified at 24 CFR 5.609(b)(9), except for those persons with disabilities as defined by 42 U.S.C. 1437a(b)(3)(E) (Pub. L. 109–249)
- (v) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
- (w) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602)
- (x) Any amounts in an "individual development account" as provided by the Assets for Independence Act, as amended in 2002
- (y) Payments made from the proceeds of Indian tribal trust cases as described in Notice PIH 2013–30, "Exclusion from Income of Payments under Recent Tribal Trust Settlements" (25 U.S.C. 117b(a))
- (z) Major disaster and emergency assistance received under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and comparable disaster assistance provided by states, local governments, and disaster assistance organizations

PART II: MONTHLY INCOME TIERED RENT AND TOTAL TENANT PAYMENT

INTRODUCTION

Overview

HUD regulations specify that a PHA must establish a minimum rent between \$0 and \$50. The term ‘minimum rent’ actually refers to the Total Tenant Payment (TTP).

ECC/HANH Policy

ECC/HANH has established a minimum rent (TTP) of \$50.

ECC/HANH has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6B-II.F.

The amount that a family pays for rent and utilities (the family share) will never be less than the family’s TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.

Calculating Final Total Tenant Payment

ECC/HANH Policy

Once the Annual Income for the family is determined, the TTP for the family shall be determined by locating the ‘rent’ for the appropriate income tier for the family on the Simplified Rent Schedule and selecting the rent (TTP) for the appropriate income tier.

The Simplified Rent Schedule may be found in Exhibit 6B-6, labeled ‘Monthly Income Tiered Rent’ on ECC/HANH’s internal worksheets.

If a family’s annual income is less than \$2,500, the family’s TTP will be ECC/HANH’s minimum rent of \$50. ECC/HANH has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6B-II.G.

6-II.A. EXCEPTIONAL EXPENSES

ECC/HANH Policy

Deductions under 24 CFR Part 5.611(a) shall be permitted only to the extent the sum of anticipated deductions is expected to equal or exceed \$2,000 annually. Families with Exceptional Expenses that equal or exceed \$2,000 will receive a rent deduction. Families with Exceptional Expenses will receive a reduction in their Final Total Tenant Payment rental as set forth in the following table:

Exceptional Expenses Amount	Monthly Rent Reduction
\$2,000 - \$3,999	\$75
\$4,000 - \$5,999	\$125
\$6,000+	To Hardship Committee for rent deduction determination

That the amount of rent reduction is based on exceptional expense tiers allows ECC/HANH to move away being required to verify deductions to the dollar. Families need only provide documentation sufficient to verify expenses to within the range of the appropriate tier.

HUD's \$400 Elderly/Disabled allowance is not used in determining Exceptional Expenses.

For families with two or more dependents, an amount of \$960 will be automatically calculated in exceptional expenses, as the standard amount of this deduction has been factored into the Simplified Rent Table used to establish the TTP.

For each family with more than two dependents, \$480 per dependent will be included in exceptional expenses.

Allowable income deductions used to calculate Exceptional Expenses are as follows:

- (1) \$480 for dependents
- (2) The sum of the following, to the extent the sum exceeds three percent of annual income:
 - (i) Unreimbursed medical expenses of any elderly family or disabled family;
 - (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and
- (3) Any reasonable child care expenses necessary to enable a member of the family to be employed, seek work, or to further his or her education.

This part covers policies related to these allowable deductions. Verification requirements related to these deductions are found in Chapter 7.

Anticipating Expenses

ECC/HANH Policy

Generally, ECC/HANH will use current circumstances to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g., child care during school and nonschool periods and cyclical medical expenses), ECC/HANH will estimate costs based on historic data and known future costs.

If a family has an accumulated debt for medical or disability assistance expenses ECC/HANH will include as an eligible expense the portion of the debt that the family expects to pay during the period for which the income determination is being made. However, amounts previously deducted will not be allowed even if the amounts were not paid as expected in a preceding period. ECC/HANH may require the family to provide documentation of payments made in the preceding year.

6-II.B. DEPENDENT DEDUCTION

An allowance of \$480 is deducted from annual income for each dependent [24 CFR 5.611(a)(1)]. *Dependent* is defined as any family member other than the head, spouse, or cohead who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents [24 CFR 5.603(b)].

ECC/HANH Policy

For families with two or more dependents, an amount of \$960 will be automatically calculated in exceptional expenses, as the standard amount of this deduction has been factored into the Simplified Rent Table used to establish the TTP.

For each family with more than two dependents, \$480 per dependent will be included in exceptional expenses.

6-II.C. MEDICAL EXPENSES DEDUCTION [24 CFR 5.611(a)(3)(i)]

Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income.

The medical expense deduction is permitted only for families in which the head, spouse, or cohead is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted [VG, p. 28].

Definition of *Medical Expenses*

HUD regulations define *medical expenses* at 24 CFR 5.603(b) to mean “medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance.”

ECC/HANH Policy

The most current IRS Publication 502, *Medical and Dental Expenses*, will be used as a reference to determine the costs that qualify as medical expenses.

Summary of Allowable Medical Expenses from IRS Publication 502	
Services of medical professionals	Substance abuse treatment programs
Surgery and medical procedures that are necessary, legal, noncosmetic	Psychiatric treatment
Services of medical facilities	Ambulance services and some costs of transportation related to medical expenses
Hospitalization, long-term care, and in-home nursing services	The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth)
Prescription medicines and insulin, but <u>not</u> nonprescription medicines even if recommended by a doctor	

Improvements to housing directly related to medical needs (e.g., ramps for a wheelchair, handrails)	Cost and continuing care of necessary service animals Medical insurance premiums or the cost of a health maintenance organization (HMO)
Note: This chart provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.	

Families That Qualify for Both Medical and Disability Assistance Expenses

ECC/HANH Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, ECC/HANH will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-II.D. DISABILITY ASSISTANCE EXPENSES DEDUCTION [24 CFR 5.603(b) and 24 CFR 5.611(a)(3)(ii)]

Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they: (1) are necessary to enable a family member 18 years or older to work, (2) are not paid to a family member or reimbursed by an outside source, (3) in combination with any medical expenses, exceed three percent of annual income, and (4) do not exceed the earned income received by the family member who is enabled to work.

Earned Income Limit on the Disability Assistance Expense Deduction

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work [24 CFR 5.603(b)].

The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense [24 CFR 5.611(a)(3)(ii)]. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

ECC/HANH Policy

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family’s request, ECC/HANH will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work.

When ECC/HANH determines that the disability assistance expenses enable more than one family member to work, the expenses will be capped by the sum of the family members' incomes.

Eligible Disability Expenses

Examples of auxiliary apparatus are provided in the *HCV Guidebook* as follows: "Auxiliary apparatus are items such as wheelchairs, ramps, adaptations to vehicles, or special equipment to enable a blind person to read or type, but only if these items are directly related to permitting the disabled person or other family member to work" [HCV GB, p. 5-30].

HUD advises ECC/HANH to further define and describe auxiliary apparatus [VG, p. 30].

Eligible Auxiliary Apparatus

ECC/HANH Policy

Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.

Eligible Attendant Care

The family determines the type of attendant care that is appropriate for the person with disabilities.

ECC/HANH Policy

Attendant care includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities.

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

If the care attendant also provides other services to the family, ECC/HANH will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Payments to Family Members

No disability assistance expenses may be deducted for payments to a member of an assisted family [24 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the assisted family may be deducted if they are not reimbursed by an outside source.

Necessary and Reasonable Expenses

The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

ECC/HANH Policy

ECC/HANH determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, ECC/HANH will collect information from organizations that provide services and support to persons with disabilities. A family may present, and ECC/HANH will consider, the family's justification for costs that exceed typical costs in the area.

Families That Qualify for Both Medical and Disability Assistance Expenses

ECC/HANH Policy

This policy applies only to families in which the head or spouse is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, ECC/HANH will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-II.E. CHILD CARE EXPENSE DEDUCTION

HUD defines *child care expenses* at 24 CFR 5.603(b) as “amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.”

Clarifying the Meaning of *Child* for This Deduction

Child care expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family's household [VG, p. 26]. However, child care expenses for foster children that are living in the assisted family's household are included when determining the family's child care expenses [HCV GB, p. 5-29].

Qualifying for the Deduction

Determining Who Is Enabled to Pursue an Eligible Activity

ECC/HANH Policy

The family must identify the family member(s) enabled to pursue an eligible activity. The term *eligible activity* in this section means any of the activities that may make the family eligible for a child care deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family's request, ECC/HANH will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

ECC/HANH Policy

If the child care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member's job search efforts are not commensurate with the child care expense being allowed by ECC/HANH.

Furthering Education

ECC/HANH Policy

If the child care expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

Being Gainfully Employed

ECC/HANH Policy

If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

Earned Income Limit on Child Care Expense Deduction

When a family member looks for work or furthers his or her education, there is no cap on the amount that may be deducted for child care – although the care must still be necessary and reasonable. However, when child care enables a family member to work, the deduction is capped by “the amount of employment income that is included in annual income” [24 CFR 5.603(b)].

The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

When the person who is enabled to work is a person with disabilities who receives the earned income disallowance (EID) or a full-time student whose earned income above \$480 is excluded, child care costs related to enabling a family member to work may not exceed the portion of the

person's earned income that actually is included in annual income. For example, if a family member who qualifies for the EID makes \$15,000 but because of the EID only \$5,000 is included in annual income, child care expenses are limited to \$5,000.

ECC/HANH must not limit the deduction to the least expensive type of child care. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working [HCV GB, p. 5-30].

ECC/HANH Policy

When the child care expense being claimed is to enable a family member to work, only one family member's income will be considered for a given period of time. When more than one family member works during a given period, ECC/HANH generally will limit allowable child care expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

Eligible Child Care Expenses

The type of care to be provided is determined by the assisted family. ECC/HANH may not refuse to give a family the child care expense deduction because there is an adult family member in the household that may be available to provide child care [VG, p. 26].

Allowable Child Care Activities

ECC/HANH Policy

For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of child care.

The costs of general housekeeping and personal services are not eligible. Likewise, child care expenses paid to a family member who lives in the family's unit are not eligible; however, payments for child care to relatives who do not live in the unit are eligible.

If a child care provider also renders other services to a family or child care is used to enable a family member to conduct activities that are not eligible for consideration, ECC/HANH will prorate the costs and allow only that portion of the expenses that is attributable to child care for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the child care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Necessary and Reasonable Costs

Child care expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and (2) the family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source.

ECC/HANH Policy

Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time. For child care that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

To establish the reasonableness of child care costs, ECC/HANH will use the schedule of child care costs from the local welfare agency. Families may present, and ECC/HANH will consider, justification for costs that exceed typical costs in the area.

6-II.F. PERMISSIVE DEDUCTIONS [24 CFR 5.611(b)(1)]

Permissive deductions are additional, optional deductions that may be applied to annual income. As with mandatory deductions, permissive deductions must be based on need or family circumstance and deductions must be designed to encourage self-sufficiency or other economic purpose. If ECC/HANH offers permissive deductions, they must be granted to all families that qualify for them and should complement existing income exclusions and deductions [PH Occ GB, p. 128].

The *Form HUD-50058 Instruction Booklet* states that the maximum allowable amount for total permissive deductions is less than \$90,000 per year.

ECC/HANH Policy

ECC/HANH has opted not to use permissive deductions.

6-II.G. MINIMUM RENT AND MINIMUM RENT HARDSHIP EXEMPTION

HUD regulations specify that PHAs may establish a minimum rent between \$0 and \$50.

ECC/HANH has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6B-II.I.

The amount that a family pays for rent and utilities will never be less than the family's TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.

Minimum Rent [24 CFR 5.630]

ECC/HANH Policy

Families with Annual Income below \$2,500 annually shall pay the minimum rent of \$50.00 per month.

If a family is unable to pay the minimum rent because of a financial hardship, the family is eligible for a hardship exemption from the minimum rent requirements.

All families placed on minimum rent must be informed in writing of the procedures for applying for a hardship exemption from the Minimum Rent Requirement and the ability to have minimum rent waived.

In order to fully notify families of their right to request a minimum rent hardship exemption, families will be provided with an Application for Exemption from Minimum Rent Form only when they become subject to the Minimum Rent requirement. The policy and procedures for requesting such hardship exemption will also be included in participant rent change notifications, Application for Exemption from Minimum Rent and all form documents related to the exemption process.

A family subjected to the minimum rent requirement will not be evicted for non-payment of rent.

ECC/HANH will notify families in all of the above documents that all families exempt from the minimum rent requirements will be referred to ECC/HANH's CED program in order to assist the family in moving towards self-sufficiency. Elderly and disabled individuals are not required to participate in the CED program.

6-II.H. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT [24 CFR 5.630]

Overview

If ECC/HANH establishes a minimum rent greater than zero, ECC/HANH must grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of financial hardship.

The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption.

ECC/HANH Policy

If ECC/HANH determines that a hardship exists, the family's TTP will be \$0.

HUD-Defined Financial Hardship

Financial hardship includes the following situations collectively, the "Criteria for Minimum Rent Exemption":

- (1) The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

ECC/HANH Policy

A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.

For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following: (1) implementation of assistance, if approved, or (2) the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances.

Prior to reestablishing the minimum rent, the family must be referred to the Hardship Committee for determination of continued minimum rent hardship exemption or resumption of the minimum rent.

- (2) The family would be evicted because it is unable to pay the minimum rent.

ECC/HANH Policy

For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent or tenant-paid utilities.

- (3) Family income has decreased because of changed family circumstances, including the loss of employment.

- (4) A death has occurred in the family.

ECC/HANH Policy

In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income).

- (5) The family has experienced other circumstances determined by ECC/HANH.

ECC/HANH Policy

Other circumstances determined by ECC/HANH to be reasons to waive the minimum rent requirement will be referred to the Hardship Committee. The Hardship Committee will make a determination on a case-by-case basis and notify the family within 10 business days.

Implementation of Hardship Exemption

ECC/HANH Policy

An application for Exemption from Minimum Rent may originate from either a ECC/HANH employee or the family.

ECC/HANH employees must complete and submit an Application for Exemption from Minimum Rent on behalf of a family whenever any evidence exists that the family falls into any one of the Criteria for Minimum Rent Exemption (as set forth above).

A family also has the right to request a hardship exemption from minimum rent. Such request must be in writing and must state the family circumstances that qualify the family for a hardship exemption.

Suspension of Requirement to Pay Minimum Rent

When a family requests a financial hardship exemption, ECC/HANH must suspend the minimum rent requirement beginning the first of the month following the family's request.

The family's assistance cannot be terminated for nonpayment of minimum rent for a period of 90 days upon receipt of the request for minimum rent hardship exemption.

Determination of Hardship – Hardship Review Committee

ECC/HANH may not evict the family for nonpayment of minimum rent during the 90-day period beginning the month following the family's request for a hardship exemption.

ECC/HANH Policy

When a family submits an application for a minimum rent hardship exemption, or ECC/HANH employee submits an application for a minimum rent hardship exemption on behalf of a family, ECC/HANH will suspend the minimum rent requirement commencing on the first day of the month following the date of the application for a period of 90 days and adjust the HAP accordingly.

The family's assistance cannot be terminated for nonpayment of minimum rent while the family's Application for Exemption from Minimum Rent is pending or during the 90-day period of suspension, whichever is longer.

All families who apply for such hardship exemption will be referred to the Community Economic Development (CED) program in order to assist the family in moving towards self-sufficiency. Elderly and disabled individuals will not be referred to CED.

When the minimum rent is suspended, the family's TTP becomes '\$0'.

ECC/HANH then determines whether the financial hardship exists and whether the hardship is temporary or long-term.

ECC/HANH Policy

ECC/HANH defines temporary hardship as a hardship expected to last 90 days or less. Long-term hardship is defined as a hardship expected to last more than 90 days.

Except for elderly or disabled individuals, no tenant shall be exempt from the minimum rent requirement for more than 90 days during a one year period unless at least one adult family member enrolls and actively participates in ECC/HANH's CED program. The family member shall enroll in CED within 30 days from the date on the Application of Exemption from Minimum Rent. This does not apply if all family members are elderly or disabled.

No Financial Hardship

If ECC/HANH determines there is no financial hardship, ECC/HANH will reinstate the minimum rent and require the family to repay the amounts suspended.

ECC/HANH Policy

If the hardship is determined to be nonexistent, the family will be responsible for paying rent to ECC/HANH for any rent that was suspended while the family's Application for Exemption from Minimum Rent was pending. The minimum rent shall be reinstated retroactively to the initial date of the suspension. The family will be provided with the opportunity to enter into a reasonable repayment agreement with ECC/HANH for any amount due and owing to ECC/HANH.

For procedures pertaining to grievance hearing requests based upon ECC/HANH's denial of a hardship exemption, see Chapter 14, Grievances and Appeals.

Temporary Hardship

If ECC/HANH determines that a qualifying financial hardship is temporary, ECC/HANH must suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family's request for a hardship exemption.

At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay ECC/HANH the amounts suspended. HUD requires ECC/HANH to offer a reasonable repayment agreement, on terms and conditions established by ECC/HANH.

ECC/HANH also may determine that circumstances have changed and the hardship is now a long-term hardship.

For procedures pertaining to grievance hearing requests based upon ECC/HANH's denial of a hardship exemption, see Chapter 14, Grievances and Appeals.

ECC/HANH Policy

ECC/HANH will enter into a repayment agreement in accordance with the procedures found in Chapter 16 of this ACOP.

Long-Term Hardship

If ECC/HANH determines that the financial hardship is long-term, ECC/HANH must exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

ECC/HANH Policy

ECC/HANH may deny the family a long-term exemption from the minimum rent requirement if the family fails to attend the scheduled meetings with the Hardship Review Committee. ECC/HANH will provide each family one opportunity to reschedule the meeting. If the family fails to attend the scheduled meetings, ECC/HANH may deny the long-term exemption from the minimum rent requirement. The letter scheduling the meeting shall inform families that persons with disabilities are entitled to reasonable accommodation with regard to this requirement.

Residents will be notified that the resident must notify ECC/HANH within 10 days if the hardship ceases to exist because the resident has obtained a source of income sufficient to pay (at least) the minimum rent.

Termination of Long-Term Exemption

ECC/HANH Policy

The hardship period ends when any of the following circumstances apply:

- (1) At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent.

- (2) For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a \$60/month child support payment, the hardship will continue to exist until the family receives at least \$60/month in income from another source or once again begins to receive the child support.
- (3) For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

The hardship will also end when a family that is required to participate in the CED program fails to do so.

ECC/HANH may conduct periodic reviews of all long-term hardship exemptions to determine if the hardship continues to exist and, for non-elderly and non-disabled residents, whether the resident is complying with CED requirements.

If ECC/HANH determines that a family is no longer eligible for a long-term hardship exemption (because the hardship no longer exists or the non-elderly/non-disabled tenant has not complied with CED requirements), ECC/HANH shall notify the family of the proposed termination of the long-term hardship exemption, the effective date of the proposed termination, and the reason for such proposed termination. This letter shall be delivered to the resident by first class mail no later than thirty (30) days prior to the effective date of the proposed termination. Any resident who disagrees with the proposed termination may request a grievance in accordance with ECC/HANH's grievance procedures, a copy of which will be included in the notice of termination. In cases where an appeal is sought, no action shall be taken by ECC/HANH until the grievance process is completed.

The Executive Director/President may waive any or all of these requirements in cases where he/she determines that the hardship conditions are likely to be permanent.

PART III: CALCULATING RENT

6-III.A. OVERVIEW OF INCOME-BASED RENT CALCULATIONS

The first step in calculating income-based rent is to determine each family's total tenant payment (TTP). Then, if the family is occupying a unit that has tenant-paid utilities, the utility allowance is subtracted from the TTP. The result of this calculation, if a positive number, is the tenant rent. If the TTP is less than the utility allowance, the result of this calculation is a negative number, and is called the utility reimbursement.

TTP Formula [24 CFR 5.628]

HUD regulations specify the formula for calculating the total tenant payment (TTP) for a tenant family. TTP is the highest of the following amounts, rounded to the nearest dollar:

- 30 percent of the family's monthly adjusted income (adjusted income is defined in Part II)
- 10 percent of the family's monthly gross income (annual income, as defined in Part I, divided by 12)
- The welfare rent (in as-paid states only)
- A minimum rent between \$0 and \$50 that is established by ECC/HANH.

ECC/HANH has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6B-III.B.

ECC/HANH Policy

Per ECC/HANH's MTW Plan, ECC/HANH has implemented a Rent Simplification Plan and does not calculate the TTP by the statutory formula.

Welfare Rent [24 CFR 5.628]

ECC/HANH Policy

Welfare rent does not apply in this locality.

Minimum Rent [24 CFR 5.630]

ECC/HANH Policy

The minimum rent is \$50.

Utility Reimbursement [24 CFR 960.253(c)(3)]

Utility reimbursement occurs when any applicable utility allowance for tenant-paid utilities exceeds the TTP. HUD permits ECC/HANH to pay the reimbursement to the family or directly to the utility provider.

ECC/HANH Policy

ECC/HANH will make utility reimbursements to the family.

6-III.B. UTILITY ALLOWANCES [24 CFR 965, Subpart E]

Overview

Utility allowances are provided to families paying income-based rents when the cost of utilities is not included in the rent. When determining a family's income-based rent, ECC/HANH must use the utility allowance applicable to the type of dwelling unit leased by the family.

For policies on establishing and updating utility allowances, see Chapter 16.

Reasonable Accommodation [24 CFR 8]

On request from a family, ECC/HANH must approve a utility allowance that is higher than the applicable amount for the dwelling unit if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family with a disability [PH Occ GB, p. 172].

Residents with disabilities may not be charged for the use of certain resident-supplied appliances if there is a verified need for special equipment because of the disability [PH Occ GB, p. 172].

See Chapter 2 for policies related to reasonable accommodations.

Utility Allowance Revisions [24 CFR 965.507]

ECC/HANH must review its schedule of utility allowances each year. Between annual reviews, ECC/HANH must revise the utility allowance schedule if there is a rate change that by itself or together with prior rate changes not adjusted for, results in a change of 10 percent (10%) or more from the rate on which such allowances were based. Adjustments to resident payments as a result of such changes must be retroactive to the first day of the month following the month in which the last rate change taken into account in such revision became effective [PH Occ GB, p. 171].

The tenant rent calculations must reflect any changes in ECC/HANH's utility allowance schedule [24 CFR 960.253(c)(3)].

ECC/HANH Policy

Unless ECC/HANH is required to revise utility allowances retroactively, revised utility allowances will be applied to a family's rent calculations or bi/triennial reexamination after the allowance is adopted.

ECC/HANH will maintain documentation of annual reviews regardless of whether changes to allowances or allotments are made.

Tenants must be notified at least 60 days before changing the utility allowances/allotments and all residents must be allowed to submit comments regarding the changes at least 30 days before the proposed effective date.

When setting the utility allowance or allotment level, ECC/HANH have discretion to use one or more of the options below, or a methodology of their choosing. ECC/HANH must keep documentation of how the utility allowances/allotments are calculated.

Documentation must be available to residents upon request and does not need to be submitted to HUD unless requested.

1. **Engineering approach** – In this methodology, ECC/HANH will identify existing energy or water consuming equipment in the unit and calculates the expected consumption for all the equipment for energy-conservative households that occupy housing of similar size and type in the same locality.
2. **Average actual utility bills** – In this methodology, ECC/HANH will collect a sample set of resident-paid utility bills and averages the use and cost paid by the tenant over 12 months of bills from a minimum of three units for each unit type, when available.
3. **Average historical consumption** – In this methodology, ECC/HANH will review historical consumption as recorded in ECC/HANH-owned utility check meters. ECC/HANH may only include data from when the unit was occupied by a tenant and must exclude units vacant for any reason including repairs and renovations.

4. Review local utility rates – In this methodology, ECC/HANH will review the local utility company rates to identify the current and/ or expected utility rates. Most utility companies make this information available on their website. The tenant’s lease must identify which utilities ECC/HANH will supply, which utilities the tenant is responsible for paying, and which utility services may be subject to surcharges.

6-III.C. PRORATED RENT FOR MIXED FAMILIES [24 CFR 5.520]

HUD regulations prohibit assistance to ineligible family members. A *mixed family* is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. ECC/HANH must prorate the assistance provided to a mixed family. ECC/HANH will first determine TTP as if all family members were eligible and then prorate the rent based upon the number of family members that actually are eligible. To do this, ECC/HANH must:

- (1) Subtract the TTP from a maximum rent applicable to the unit. The result is the maximum subsidy for which the family could qualify if all members were eligible.
- (2) Divide the family maximum subsidy by the number of persons in the family to determine the maximum subsidy per each family member who is eligible (member maximum subsidy).
- (3) Multiply the member maximum subsidy by the number of eligible family members.
- (4) Subtract the subsidy calculated in the last step from the maximum rent. This is the prorated TTP.
- (5) Subtract the utility allowance for the unit from the prorated TTP. This is the prorated rent for the mixed family.

ECC/HANH Policy

Revised public housing maximum rents will be applied to a family’s rent calculation at the first regular reexamination after the revision is adopted.

For policies related to the establishment of the public housing maximum rent see Chapter 16.

6-III.D. FLAT RENTS AND FAMILY CHOICE IN RENTS [24 CFR 960.253]

Flat Rents [24 CFR 960.253(b)]

The flat rent is designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient.

Changes in family income, expenses, or composition will not affect the flat rent amount because it is outside the income-based formula.

Policies related to the reexamination of families paying flat rent are contained in Chapter 9, and policies related to the establishment and review of flat rents are contained in Chapter 16.

Family Choice in Rents [24 CFR 960.253(a) and (e)]

Once each year, ECC/HANH must offer families the choice between a flat rent and an income-based rent. The family may not be offered this choice more than once a year. ECC/HANH must document that flat rents were offered to families under the methods used to determine flat rents for ECC/HANH.

ECC/HANH Policy

According to the [FY2020](#) Annual MTW Plan, Initiative 3.1 – Rent [Simplification](#)

The Flat Rent option certification form will only be signed at time of biennial/triennial certification, however, families will have the opportunity to switch to the Flat rent once a year.

Annual notice must go out to families, but signature will not be required except for at time of scheduled bi/tri certification. This change is in line with efforts to streamline the certification process; relieving staff of the additional burden and allowing families to benefit from the full extent of Rent Simplification as written.

ECC/HANH offer to a family of the choice between flat and income-based rent will be conducted upon admission and thereafter at “annual” anniversary date.

ECC/HANH will require families to submit their choice of flat or income-based rent in writing and will maintain such requests in the tenant file as part of the admission or annual reexamination process.

ECC/HANH must provide sufficient information for families to make an informed choice. This information must include ECC/HANH’s policy on switching from flat rent to income-based rent due to financial hardship and the dollar amount of the rent under each option. However, if the family chose the flat rent for the previous year ECC/HANH is required to provide an income-based rent amount only in the year that a reexamination of income is conducted or if the family specifically requests it and submits updated income information.

Switching from Flat Rent to Income-Based Rent Due to Hardship [24 CFR 960.253(f)]

A family can opt to switch from flat rent to income-based rent at any time if they are unable to pay the flat rent due to financial hardship. If ECC/HANH determines that a financial hardship exists, ECC/HANH must immediately allow the family to switch from flat rent to the income-based rent.

ECC/HANH Policy

Upon determination by ECC/HANH that a financial hardship exists, ECC/HANH will allow a family to switch from flat rent to income-based rent effective the first of the month following the family's request.

Households will have the option of changing from the Income-Tiered rent to flat rent at biennial or triennial reexamination. Households choosing flat rent will need to have their income verified once every two years for biennial reexamination and three years for triennial reexaminations.

Reasons for financial hardship include:

- The family has experienced a decrease in income because of changed circumstances, including loss or reduction of employment, death in the family, or reduction in or loss of earnings or other assistance
- The family has experienced an increase in expenses, because of changed circumstances, for medical costs, child care, transportation, education, or similar items
- Such other situations determined by ECC/HANH to be appropriate

ECC/HANH Policy

ECC/HANH considers payment of flat rent to be a financial hardship whenever the switch to income-based rent would be lower than the flat rent [PH Occ GB, p. 137].

Phasing In Flat Rents [Notice PIH 2015-13]

When new flat rents requirements were implemented in 2014, HUD limited the increase for existing residents paying flat rent at that time to no more than 35 percent of the current tenant rent per year. In some cases, this meant that some residents had or will have their flat rents phased-in at the time of their annual recertification. To do this, ECC/HANH conduct a flat rent impact analysis to determine whether a phase-in is or was necessary. For families whose flat rent is being phased-in, ECC/HANH must multiply the family's current rent amount by 1.35 and compare the result to the flat rent under ECC/HANH's policies. Families who have subsequently been admitted to the program or have subsequently selected flat rent will not experience a phase-in.

Notice PIH 2015-13 requires that flat rents must be phased in at the full 35 percent per year. PHAs do not have the option of phasing in flat rent increases at less than 35 percent per year.

Example: A family was paying a flat rent of \$500 per month. At their regular recertification, ECC/HANH has increased the flat rent for their unit size to \$700. ECC/HANH would conduct a flat rent impact analysis as follows:

$$\$500 \times 1.35 = \$675$$

Since ECC/HANH'S increased flat rent of \$700 would result in a rent increase of more than 35 percent, ECC/HANH would offer the family the choice to pay either \$675 per month or an income-based rent. The flat rent increase was phased in. At their next regular reexamination, ECC/HANH will again multiply the family's current flat rent by 1.35 and compare the results to ECC/HANH's current flat rent.

Flat Rents and Earned Income Disallowance [A&O FAQs]

Because the EID is a function of income-based rents, a family paying flat rent cannot qualify for the EID even if a family member experiences an event that would qualify the family for the EID. If the family later chooses to pay income-based rent, they would only qualify for the EID if a new qualifying event occurred.

A family currently paying flat rent that previously qualified for the EID while paying income-based rent and is currently within their 48 month period would have the 12 cumulative months of full (100 percent) and phase-in (50 percent) exclusion continue while paying flat rent as long as the employment that is the subject of the exclusion continues, and the 48-month lifetime limit would continue uninterrupted. A family paying flat rent could therefore see a family member's 48-month lifetime limit expire while the family is paying flat rent.

Flat Rents for Units Subject to Demolition

ECC/HANH recognizes that developments for which the Commissioners have approved demolition should not be considered to be of the same quality as non-subsidized units even if these private sector units are comparable to the public housing units.

A special form of Flat Rent will be available for developments that:

- Have Board of Commissioner authorization directing staff to submit a demolition application to HUD; or
- Have a demolition application that has been submitted to HUD and approved by the Special Application Center (SAC).

Households who reside at developments covered by this section of the ACOP will be given the choice of either using the Flat Rent for Units Subject to Demolition or using the Income Tiered rent. Households will be allowed to move from one form of rent to the other and back again (a "round trip") once each twelve-month period. ECC/HANH will make exceptions to this rule in the case of a family's financial hardship.

Households that elect to use the Flat Rent for Units Subject to Demolition will not be required to complete an annual recertification for three years from the effective date of the Flat Rent.

Households that elect to be subject to the Flat Rent for Units Subject to Demolition will be required to acknowledge that the development is to be demolished and that there is a formal

understanding that the household relocate when required by the ECC/HANH. The manner of relocation and the relocation options are subject to the requirements of the Uniform Relocation Act (URA).

Once a household relocates to a development or housing option that does not meet the threshold defined in this section of the ACOP, the household is not entitled to the Flat Rent for Units Subject to Demolition described herein, and the household rent either reverts to an income-based computation or to the general Flat Rent schedule applicable to the specific development. Households that take a Housing Choice Voucher subsidy are covered by the regulations and components of the ECC/HANH's Housing Choice Voucher Section 8 Administrative Plan and have no recourse to any form of Flat Rent.

EXHIBIT 6-1: ANNUAL INCOME INCLUSIONS

24 CFR 5.609

(a) Annual income means all amounts, monetary or not, which:

- (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
 - (2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
 - (3) Which are not specifically excluded in paragraph (c) of this section.
- (4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

(b) Annual income includes, but is not limited to:

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

(3) Interest, dividends, and other net income of any kind from real or personal property.

Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

(4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) Welfare assistance payments.

(i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.31¹; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section)

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial

assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

HHS DEFINITION OF "ASSISTANCE"

45 CFR: GENERAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

260.31 What does the term "assistance" mean?

(a)(1) The term "assistance" includes cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses).

(2) It includes such benefits even when they are:

(i) Provided in the form of payments by a TANF agency, or other agency on its behalf, to individual recipients; and

(ii) Conditioned on participation in work experience or community service (or any other work activity under 261.30 of this chapter).

(3) Except where excluded under paragraph (b) of this section, it also includes supportive services such as transportation and child care provided to families who are not employed.

(b) [The definition of "assistance"] excludes:

(1) Nonrecurrent, short-term benefits that:

(i) Are designed to deal with a specific crisis situation or episode of need;

(ii) Are not intended to meet recurrent or ongoing needs; and

(iii) Will not extend beyond four months.

(2) Work subsidies (i.e., payments to employers or third parties to help cover the

¹ Text of 45 CFR 260.31 follows (next page).

costs of employee wages, benefits, supervision, and training);

(3) Supportive services such as child care and transportation provided to families who are employed;

(4) Refundable earned income tax credits;

(5) Contributions to, and distributions from, Individual Development Accounts;

(6) Services such as counseling, case management, peer support, child care

information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support; and

(7) Transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of [the Social Security] Act, to an individual who is not otherwise receiving assistance

EXHIBIT 6-2: ANNUAL INCOME EXCLUSIONS

24 CFR 5.609

(c) Annual income does not include the following:

- (1) Income from employment of children (including foster children) under the age of 18 years;
- (2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- (3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);
- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide, as defined in Sec. 5.403;
- (6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;
- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8) (i) Amounts received under training programs funded by HUD;
(ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
- (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
- (iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;
- (v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;
- (9) Temporary, nonrecurring or sporadic income (including gifts);
- (10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

(11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);

(12) Adoption assistance payments in excess of \$480 per adopted child;

(13) [Reserved]

(14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.

(15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

(16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

(17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. [See the following chart for a list of benefits that qualify for this exclusion.]

EXHIBIT 6-3: TREATMENT OF FAMILY ASSETS

24 CFR 5.603(b) Net Family Assets

(1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

(2) In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under Sec. 5.609.

(3) In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor.

In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

(4) For purposes of determining annual income under Sec. 5.609, the term "net family assets" does not include the value of a home currently being purchased with assistance under part 982, subpart M of this title. This exclusion is limited to the first 10 years after the purchase date of the home.

EXHIBIT 6-4: EARNED INCOME DISALLOWANCE

24 CFR 960.255 Self-sufficiency incentive—Disallowance of increase in annual income.

(a) *Definitions.* The following definitions apply for purposes of this section.

Disallowance. Exclusion from annual income.

Previously unemployed includes a person who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

Qualified family. A family residing in public housing:

- (i) Whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment;
- (ii) Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or
- (iii) Whose annual income increases, as a result of new employment or increased earnings of a family member, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance—provided that the total amount over a six-month period is at least \$500.

(b) *Disallowance of increase in annual income.*

(1) *Initial twelve month exclusion.* During the cumulative twelve month period beginning on the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA must exclude from annual income (as defined in 5.609 of this title) of a qualified family any increase in income of the family member as a result of employment over prior income of that family member.

(2) *Second twelve month exclusion and phase-in.* During the second cumulative twelve month period after the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA must exclude from annual income of a qualified family fifty percent of any increase in income of such family member as a result of employment over income of that family member prior to the beginning of such employment.

(3) *Maximum four year disallowance.* The disallowance of increased income of an individual family member as provided in paragraph (b)(1) or (b)(2) of this section is limited to a lifetime 48 month period. It only applies for a maximum of twelve months for disallowance under paragraph (b)(1) and a maximum of twelve months for disallowance under paragraph (b)(2), during the 48 month period starting from the initial exclusion under paragraph (b)(1) of this section.

(c) *Inapplicability to admission.* The disallowance of increases in income as a result of employment under this section does not apply for purposes of admission to the program (including the determination of income eligibility and income targeting).

(d) *Individual Savings Accounts*. As an alternative to the disallowance of increases in income as a result of employment described in paragraph (b) of this section, a PHA may choose to provide for individual savings accounts for public housing residents who pay an income-based rent, in accordance with a written policy, which must include the following provisions:

- (1) The PHA must advise the family that the savings account option is available;
- (2) At the option of the family, the PHA must deposit in the savings account the total amount that would have been included in tenant rent payable to the PHA as a result of increased income that is disallowed in accordance with paragraph (b) of this section;
- (3) Amounts deposited in a savings account may be withdrawn only for the purpose of:
 - (i) Purchasing a home;

- (ii) Paying education costs of family members;
 - (iii) Moving out of public or assisted housing; or
 - (iv) Paying any other expense authorized by the PHA for the purpose of promoting the economic self-sufficiency of residents of public housing;
- (4) The PHA must maintain the account in an interest bearing investment and must credit the family with the net interest income, and the PHA may not charge a fee for maintaining the account;
- (5) At least annually the PHA must provide the family with a report on the status of the account; and
- (6) If the family moves out of public housing, the PHA shall pay the tenant any balance in the account, minus any amounts owed to the PHA

EXHIBIT 6-5: THE EFFECT OF WELFARE BENEFIT REDUCTION

24 CFR 5.615

Public housing program and Section 8 tenant-based assistance program: How welfare benefit reduction affects family income.

(a) Applicability. This section applies to covered families who reside in public housing (part 960 of this title) or receive Section 8 tenant-based assistance (part 982 of this title).

(b) Definitions. The following definitions apply for purposes of this section:

Covered families. Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

Economic self-sufficiency program. See definition at Sec. 5.603.

Imputed welfare income. The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.

Specified welfare benefit reduction.

(1) A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

(2) "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

- (i) at expiration of a lifetime or other time limit on the payment of welfare benefits;
- (ii) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or
- (iii) because a family member has not complied with other welfare agency requirements.

(c) Imputed welfare income.

(1) A family's annual income includes the amount of imputed welfare income (because of a specified welfare benefits reduction, as specified in notice to the PHA by the welfare agency), plus the total amount of other annual income as determined in accordance with Sec. 5.609.

(2) At the request of the PHA, the welfare agency will inform the PHA in writing of the amount and term of any specified welfare benefit reduction for a family member, and the reason for such reduction, and will also inform the PHA of any subsequent changes in the term or amount of such specified welfare benefit reduction. The PHA will use this information to determine the amount of imputed welfare income for a family.

(3) A family's annual income includes imputed welfare income in family annual income, as determined at the PHA's interim or regular reexamination of family income and composition,

during the term of the welfare benefits reduction (as specified in information provided to the PHA by the welfare agency).

(4) The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed

(5) The PHA may not include imputed welfare income in annual income if the family was not an assisted resident at the time of sanction.

(d) Review of PHA decision.

(1) Public housing. If a public housing tenant claims that the PHA has not correctly calculated the amount of imputed welfare income in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the tenant written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. The PHA notice shall also state that if the tenant does not agree with the PHA determination, the tenant may request a grievance hearing in accordance with part 966, subpart B of this title to review the PHA determination. The tenant is not required to pay an escrow deposit pursuant to Sec. 966.55(e) for the portion of tenant rent attributable to the imputed welfare income in order to obtain a grievance hearing on the PHA determination.

(2) Section 8 participant. A participant in the Section 8 tenant-based assistance program may request an informal hearing, in accordance with Sec. 982.555 of this title, to review the PHA determination of the amount of imputed welfare income that must be included in the family's annual income in accordance with this section. If the family claims that such amount is not correctly calculated in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the family written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. Such notice shall also state that if the family does not agree with the PHA determination, the family may request an informal hearing on the determination under the PHA hearing procedure.

(e) PHA relation with welfare agency.

(1) The PHA must ask welfare agencies to inform the PHA of any specified welfare benefits reduction for a family member, the reason for such reduction, the term of any such reduction, and any subsequent welfare agency determination affecting the amount or term of a specified welfare benefits reduction. If the welfare agency determines a specified welfare benefits reduction for a family member, and gives the PHA written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.

(2) The PHA is responsible for determining the amount of imputed welfare income that is included in the family's annual income as a result of a specified welfare benefits reduction as determined by the welfare agency, and specified in the notice by the welfare agency to the PHA. However, the PHA is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or hearing on such welfare agency determinations.

(3) Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. The PHA shall be entitled to rely on the welfare agency notice to the PHA of the welfare agency's determination of a specified welfare benefits reduction.

EXHIBIT 6-6: SIMPLIFIED RENT SCHEDULE

Income Range		TTP	TTP
\$0	\$2,499	\$50	
\$2,500	\$3,499	\$59	
\$3,500	\$4,499	\$83	
\$4,500	\$5,499	\$107	
\$5,500	\$6,499	\$131	
\$6,500	\$7,499	\$154	
\$7,500	\$8,499	\$178	
\$8,500	\$9,499	\$202	
\$9,500	\$10,499	\$226	
\$10,500	\$11,499	\$249	
\$11,500	\$12,499	\$273	
\$12,500	\$13,499	\$297	
\$13,500	\$14,499	\$321	
\$14,500	\$15,499	\$344	
\$15,500	\$16,499	\$368	
\$16,500	\$17,499	\$392	
\$17,500	\$18,499	\$416	
\$18,500	\$19,499	\$439	
\$19,500	\$20,499	\$463	
\$20,500	\$21,499	\$487	
\$21,500	\$22,499	\$511	
\$22,500	\$23,499	\$534	
\$23,500	\$24,499	\$558	
\$24,500	\$25,499	\$582	
\$25,500	\$26,499	\$606	
\$26,500	\$27,499	\$629	
\$27,500	\$28,499	\$653	
\$28,500	\$29,499	\$677	
\$29,500	\$30,499	\$701	
\$30,500	\$31,499	\$724	
\$31,500	\$32,499	\$748	
\$32,500	\$33,499	\$772	
\$33,500	\$34,499	\$796	
Income Range		TTP	
\$34,500	\$35,499	\$819	
\$35,500	\$36,499	\$843	
\$36,500	\$37,499	\$867	
\$37,500	\$38,499	\$891	
\$38,500	\$39,499	\$914	
\$39,500	\$40,499	\$938	
\$40,500	\$41,499	\$962	
\$41,500	\$42,499	\$986	
\$42,500	\$43,499	\$1,009	
\$43,500	\$44,499	\$1,033	
\$44,500	\$45,499	\$1,057	
\$45,500	\$46,499	\$1,081	
\$46,500	\$47,499	\$1,104	
\$47,500	\$48,499	\$1,128	
\$48,500	\$49,499	\$1,152	
\$49,500	\$50,499	\$1,176	
\$50,500	\$51,499	\$1,199	
\$51,500	\$52,499	\$1,223	
\$52,500	\$53,499	\$1,247	
\$53,500	\$54,499	\$1,271	
\$54,500	\$55,499	\$1,294	
\$55,500	\$56,499	\$1,318	
\$56,500	\$57,499	\$1,342	
\$57,500	\$58,499	\$1,366	
\$58,500	\$59,499	\$1,389	
\$59,500	\$60,499	\$1,413	
\$60,500	\$61,499	\$1,437	
\$61,500	\$62,499	\$1,461	
\$62,500	\$63,499	\$1,484	
\$63,500	\$64,499	\$1,508	
\$64,500	\$65,499	\$1,532	
\$65,500	\$66,499	\$1,556	

Income Range		TTP	\$99,500	\$100,499	\$2,363
			Income Range		TTP
\$66,500	\$67,499	\$1,579	\$100,500	\$101,499	\$2,387
\$67,500	\$68,499	\$1,603	\$101,500	\$102,499	\$2,411
\$68,500	\$69,499	\$1,627	\$102,500	\$103,499	\$2,434
\$69,500	\$70,499	\$1,651	\$103,500	\$104,499	\$2,458
\$70,500	\$71,499	\$1,674	\$104,500	\$105,499	\$2,482
\$71,500	\$72,499	\$1,698	\$105,500	\$106,499	\$2,506
\$72,500	\$73,499	\$1,722	\$106,500	\$107,499	\$2,529
\$73,500	\$74,499	\$1,746	\$107,500	\$108,499	\$2,553
\$74,500	\$75,499	\$1,769	\$108,500	\$109,499	\$2,577
\$75,500	\$76,499	\$1,793	\$109,500	\$110,499	\$2,601
\$76,500	\$77,499	\$1,817	\$110,500	\$111,499	\$2,624
\$77,500	\$78,499	\$1,841	\$111,500	\$112,499	\$2,648
\$78,500	\$79,499	\$1,864	\$112,500	\$113,499	\$2,672
\$79,500	\$80,499	\$1,888	\$113,500	\$114,499	\$2,696
\$80,500	\$81,499	\$1,912	\$114,500	\$115,499	\$2,719
\$81,500	\$82,499	\$1,936	\$115,500	\$116,499	\$2,743
\$82,500	\$83,499	\$1,959	\$116,500	\$117,499	\$2,767
\$83,500	\$84,499	\$1,983	\$117,500	\$118,499	\$2,791
\$84,500	\$85,499	\$2,007	\$118,500	\$119,499	\$2,814
\$85,500	\$86,499	\$2,031	\$119,500	\$120,499	\$2,838
\$86,500	\$87,499	\$2,054	\$120,500	\$121,499	\$2,862
\$87,500	\$88,499	\$2,078	\$121,500	\$122,499	\$2,886
\$88,500	\$89,499	\$2,102	\$122,500	\$123,499	\$2,909
\$89,500	\$90,499	\$2,126	\$123,500	\$124,499	\$2,933
\$90,500	\$91,499	\$2,149	\$124,500	\$125,499	\$2,957
\$91,500	\$92,499	\$2,173	\$125,500	\$126,499	\$2,981
\$92,500	\$93,499	\$2,197	\$126,500	\$127,499	\$3,004
\$93,500	\$94,499	\$2,221	\$127,500	\$128,499	\$3,028
\$94,500	\$95,499	\$2,244	\$128,500	\$129,499	\$3,052
\$95,500	\$96,499	\$2,268	\$129,500	\$130,499	\$3,076
\$96,500	\$97,499	\$2,292	\$130,500	\$131,499	\$3,099
\$97,500	\$98,499	\$2,316	\$131,500	\$132,499	\$3,123
\$98,500	\$99,499	\$2,339	\$132,500	\$133,499	\$3,147

Income Range		TTP
\$133,500	\$134,499	\$3,171
\$134,500	\$135,499	\$3,194
\$135,500	\$136,499	\$3,218
\$136,500	\$137,499	\$3,242
\$137,500	\$138,499	\$3,266
\$138,500	\$139,499	\$3,289
\$139,500	\$140,499	\$3,313
\$140,500	\$141,499	\$3,337
\$141,500	\$142,499	\$3,361
\$142,500	\$143,499	\$3,384
\$143,500	\$144,499	\$3,408
\$144,500	\$145,499	\$3,432
\$145,500	\$146,499	\$3,456
\$146,500	\$147,499	\$3,479
\$147,500	\$148,499	\$3,503
\$148,500	\$149,499	\$3,527
\$149,500	\$150,499	\$3,551
\$150,500	\$151,499	\$3,574
\$151,500	\$152,499	\$3,598
\$152,500	\$153,499	\$3,622
\$153,500	\$154,499	\$3,646
\$154,500	\$155,499	\$3,669
\$155,500	\$156,499	\$3,693
\$156,500	\$157,499	\$3,717
\$157,500	\$158,499	\$3,741
\$158,500	\$159,499	\$3,764
\$159,500	\$160,499	\$3,788
\$160,500	\$161,499	\$3,812
\$161,500	\$162,499	\$3,836
\$162,500	\$163,499	\$3,859
\$163,500	\$164,499	\$3,883
\$164,500	\$165,499	\$3,907
\$165,500	\$166,499	\$3,931
\$166,500	\$167,499	\$3,954

Income Range		TTP
\$167,500	\$168,499	\$3,978
\$168,500	\$169,499	\$4,002
\$169,500	\$170,499	\$4,026
\$170,500	\$171,499	\$4,049
\$171,500	\$172,499	\$4,073
\$172,500	\$173,499	\$4,097
\$173,500	\$174,499	\$4,121
\$174,500	\$175,499	\$4,144
\$175,500	\$176,499	\$4,168
\$176,500	\$177,499	\$4,192
\$177,500	\$178,499	\$4,216
\$178,500	\$179,499	\$4,239
\$179,500	\$180,499	\$4,263
\$180,500	\$181,499	\$4,287
\$181,500	\$182,499	\$4,311
\$182,500	\$183,499	\$4,334
\$183,500	\$184,499	\$4,358
\$184,500	\$185,499	\$4,382
\$185,500	\$186,499	\$4,406
\$186,500	\$187,499	\$4,429
\$187,500	\$188,499	\$4,453
\$188,500	\$189,499	\$4,477
\$189,500	\$190,499	\$4,501
\$190,500	\$191,499	\$4,524
\$191,500	\$192,499	\$4,548
\$192,500	\$193,499	\$4,572
\$193,500	\$194,499	\$4,596
\$194,500	\$195,499	\$4,619
\$195,500	\$196,499	\$4,643
\$196,500	\$197,499	\$4,667
\$197,500	\$198,499	\$4,691
\$198,500	\$199,499	\$4,714
\$199,500	\$200,499	\$4,738
\$200,500	\$201,499	\$4,762

EXHIBIT 6-7: PUBLIC HOUSING PROGRAM RENT SIMPLIFICATION

INTRODUCTION

ECC/HANH believes there is a better way to administer essential housing programs, one that encourages long-term self-sufficiency for both the program participants as well as the agency.

Rent Simplification: Equity & Efficiency

The proposed system rewards families who increase their incomes, and provides them with more opportunities to save while easing ECC/HANH's burden of administering these housing programs.

Everyone Should Contribute

ECC/HANH believes that every family should contribute towards their housing. Under Rent Simplification, the criteria under which a family can claim zero income and not pay any rent are not changed. What will change is the amount of time families will be permitted to request an interim adjustment. The minimum rent will remain at \$50.00 per month.

Fiscal Equity for ECC/HANH/ELM CITY COMMUNITIES

Rent Simplification is forecast to be revenue-neutral. In other words, the implementation of Rent Simplification will not increase the amount of rental revenue to ECC/HANH.

Approvable Method

Rent Simplification allows all stakeholders to easily understand how tenant rents are determined, and armed with some basic income data, anticipate what future rents will be. This will allow families to easily plan for future expenses and savings.

Measurable Reduction in Administrative Time

By simplifying the rent determination and deduction procedures in Federal Public Housing, Rent Simplification makes the job of recertifying tenants significantly easier.

Transition to Avoid Hardships

ECC/HANH has devised a system that is not only revenue neutral for the organization, but will not result in any undue hardship to our families. There will be a transition period of one year from the current income based rent determination process to the new income tiered rent determination process. No family will have an increase in Total Tenant Payment (TTP) during the first year they are subject to the requirements of this Rent Simplification Policy. Please

note that this hold harmless provision does not apply to increases in TTP that result from an increase in family annual income above the amount earned in the reporting period immediately preceding the family being subject to Rent Simplification. No family shall be subject to an increase in TTP of greater than \$25.00 a month during the second year that the family is subject to the Rent Simplification Policy. The increase in TTP during the third year the family is subject to Rent Simplification shall not exceed \$50; \$75 a month during the fourth year; and \$100 a month above the monthly TTP in the year immediately following the implementation of Rent Simplification

Asset Exclusion

Asset exclusion is raised to \$50,000.00. Increasing the asset exclusion amount allows residents to accumulate more assets before they are calculated as income. Families will self-certify that they do not have assets in excess of \$50,000.00.

Earned Income Disallowance

The Federal Earned Income Disregard (EID) will continue to be implemented. The maximum amount of time a family can be enrolled in the Federal EID is 24 months. After the 24 months have been exhausted, the family may elect to participate in the Family Self Sufficiency (FSS) program for the remaining 24 months so long as any family member is enrolled in FSS. Both program s combined cannot exceed 48 months. When the family joins the FSS program 50% of incremental earnings are excluded for 12 additional months after the end of receiving EID for 24 months and 25% for another 12 months for a total for 48 months of income disallowance The optional income disregard provided under this paragraph is limited to lifetime eligibility of 48 months.

For families who do not receive the Federal EID, it may choose to enroll directly into the optional FSS Earned Income Disregard so long as any member of the household is enrolled in FSS Program. Incremental earnings from wages or salaries are excluded in the first 12 months; 75 percent in the second 12 months; 50% in the third 12 months; and 25% in the fourth 12 months. A family is limited to 48 months of eligibility for this optional EID. This will allow more families to enter and benefit from the program. In no event shall the family receive the FSS exclusion and the Federal EID during the same time period.

Family Self Sufficiency (FSS) Income Exclusion

The average income of our public housing residents is approximately \$15,000.00 per year. In order to promote long-term sustainable economic self-sufficiency of the residents, all families that enroll in the FSS program who are members of Very Low Income families will have all incremental earnings and benefits from any qualified Federal, State or Local employment training program training of a family member (including programs not affiliated with the local government) excluded from the determination of Annual Income so long as the family member is enrolled in ECC/HANH's FSS Program.

Additionally, any incremental earning by any family member while enrolled in the FFS Program will be excluded from the determination of Annual Income, 100% during the 1st year, 75% in 2nd year, 50% in 3rd year, 25% in 4th year and 0% during the 5th year of FFS participation. In addition to regularly scheduled recertifications, the family member will have their rent re-determined at the conclusion of the FFS Program or termination from the FFS Program.

In addition to expanding the scope of the existing exclusion to include Federal and State programs, an optional exclusion will be provided to cover the incremental increases and wages and salaries so long as that family member is enrolled in the ECC/HANH FFS Program.

There is not a requirement that these increases in rental income must go into an escrow account. Families will be permitted to retain these additional earnings.

Other Exclusions

All adoption assistance payments will be excluded from income calculations under Section 5.609(c) (8) (11) as the \$480 dependent deduction is eliminated. All income earned by full-time college students will no longer be included in the determination since there will no longer be the \$480 dependent deduction to offset income.

Annualized Income Calculation

Prospective and past income may be used to calculate resident rents, especially for families with irregular or sporadic employment histories. For families with income of up to and including \$5,000.00 we will accept a self-certification. For families earning more than \$5,000.00 of wages and salaries we want pay stubs covering the most recent four weeks of employment or a W-2 or 1099 within 180 days of the effective date of recertification. We must complete EIV or other UIV as required by HUD.

Annual Reexaminations

Since 2008, under Rent Simplification, annual reexaminations will occur every two years for non-elderly households and every three years for elderly and/or disabled households. These changes will allow families who experience increases in income to retain all of their increased earnings between the biennial/triennial reexaminations. Note that families with individuals who are subject to the eight hour community services requirement will be reviewed annually for all household members exempt from having to meet the community services requirement. During the first year all families will be recertified. This process will be phased in over a three-year period.

Effective FY2015 (October 2014), ECC/HANH updated its definitions of elderly/disabled and work-able families. Under the policy change, an elderly/disabled family will be defined as one in which all adult members (excluding live-in attendants) are elderly and/or disabled.

A work-able family will be one that doesn't meet the new elderly/disabled definition. If one adult family member is not elderly and/or disabled, the family will be considered a work-able family. Work-able households under the new definition will have reexaminations every two years (biennial schedule) and elderly/disabled households will have annual reexaminations every three years (triennial schedule).

ECC/HANH believes this new definition more closely matches the spirit of a "work-able" family since all work-able families would have at least one work-able adult. Under the prior definition, an elderly/disabled family only needed a head, co-head, or spouse to be elderly or disabled which led to some families with work-able adults being categorized as elderly/disabled. This change will also give ECC/HANH the ability to better track earnings and employment for work-able families; and the better population division will give ECC/HANH the flexibility to implement work-able specific rent policy changes in the future if it so chooses.

Deductions for Exceptional Expenses

Excess resources are dedicated to verifying deductions for childcare, medical and disability allowances. Third party verifications of these amounts are difficult to accomplish and the agency more often than not relies upon second and first party verifications of these deductions. Obtaining verification data also places an undue burden on the resident. To simplify this process, ECC/HANH will eliminate standard deductions for these amounts for elderly, disabled and non-elderly households.

Households with exceptional expenses may request a rent reduction. This includes large families (with more than two (2) dependents). It also includes families with high medical expenses, disability assistance expenses, or childcare expenses.

The amount of expense is set in \$2,000.00 tiers. This allows to move away from verifying every last dollar. Tenants are not required to provide documentation of every dollar of expense; rather, tenants need only provide documentation sufficient to meet the appropriate tier.

The amount of monthly rent reduction is established at the mid-range of the tier.

Households with exceptional expenses will receive a direct reduction of the monthly rent. However, no tenant's rent will be reduced below a rent of \$50.00 as a result.

Tiered Amount of Expenses	Monthly Rent Reduction
\$ 2,000 - \$ 3,999	\$ 75 (equivalent to \$3,000 deduction)
\$ 4,000 - \$ 5,999	\$ 125 (equivalent to \$5,000 deduction)
\$ 6,000 +	Hardship Review

Changes in Family Composition

Residents are still required to get permission from the Housing Manager and the Vice President of Operations to add anyone to a household and to report changes in family composition. A family's rent is recalculated if the addition or subtraction of a household member results in an income change of \$200.00 per month or more, or that causes the family to move from one income tier to another. This increase in rent does not count as an interim reexamination, in the Optional Interim Reexamination Policy.

Mandatory Interim Reexaminations Policy

Residents must request an interim reexamination if any of the following conditions occur:

- Change in family composition that affects the bedroom size.
- The addition of a family member 18 years of age or older
- Change in family composition that causes the family to move from one income tier to another with a higher rent schedule.
- Addition of a live-in aid
- Income Increase following an interim rent reduction
- If ECC/HANH grants an exceptional deduction for any family and there is a subsequent change then the family must report that change to ECC/HANH.

Optional Interim Reexaminations Policy

Residents have the option to request three (3) interim reexaminations during every twelve (12) month period. Interims may be granted in the following instances:

- Decrease in family income that is expected to last 90 days or more if it will result in a change in the family's income tier (exclude seasonal workers; see below)
- Increase in Exceptional Expenses of at least \$2,000.00

Interim rents normally remain in place until the next scheduled biennial/triennial reexamination. If a family experiences an increase in income it is not necessary for the family to report this increase in income until the next scheduled certification date, except when the increase occurs after an interim decrease has been processed.

Households receiving a requested interim rent reduction must report any subsequent income increase to ECC/HANH within thirty (30) days of occurrence. Failure to report the change within thirty (30) days results in retroactive rent changes, and depending on the severity of the circumstances, lease termination.

Seasonal workers who are employed for a period of time less than 12 months annually will have their rent calculated over a 12-month period using the 9 or 10 months of income earned. During the months the worker is not actively working, the family will not be able to request a rent reduction as the rent has already been adjusted over a 12 month period.

Permanent loss of income (i.e., death of an income earner) results in a permanent, rather than interim, rent reduction. This decrease in rent does not count as an interim reexamination. Under this circumstance, the family is not required to report a subsequent increase in income until the next scheduled certification.

Verification of Annual Income from Wages and Salaries and Assets

To reduce the administrative burden associated with the verification of income ECC/HANH will amend its Admission and Continued Occupancy (ACOP) to specify that:

- For earnings from wages and salaries where Annual Income for the prior period of up to and including \$5,000.00, self-certification from family is all that shall be required as verification of income.
- For earnings from and salaries of more than \$5,000.00 the most recent pay stubs for recent 4 weeks of employment, or W-2 or 1099 within 180 days of the anniversary date shall be required in addition to the self-certification, but only to the extent that verification of Annual Income is not available from a third party source of Upfront Income Verification.
- Self-certification of all sources of Annual Income shall be required in all cases.
- For families with total assets of \$50,000.00 or less a self-certification of said assets shall be required.

Income Tiered Rents Calculated within \$1,000 Bands

Rents are based on \$1,000.00 income bands starting at \$2,500.00. Using a band-based rent schedule allows the ECC/HANH and residents to move away from verifying every last dollar earned and deducted. (See Exhibit A)

At January 31, 2007, both the median and mode percentage of Total Tenant Payment (TTP) to annual income is 28.5 percent. That is, most families pay 28.5 percent of their family income (before utility allowance) as rent. Fifty two (52) percent of households pay 28 percent or more of annual income for TTP; six percent pay less than 10 percent; 13 percent pay between 10 and 20 percent; and 26 percent pay between 20 and 27 percent of income as TTP.

Rent will be set at 28.50 percent of income for income tiers of \$1000.00 starting at \$2,500.00. The rent will be calculated at the lower end of each tier. For example, for the \$2,500.00 to \$3,499.00 tier, the rent will be calculated at 28.50 percent of \$2,500.00. Families with incomes below \$2,500.00 will be charged the minimum rent of \$50.00. Families will be permitted to apply for a hardship if verifiable proof is provided that their total expenses exceed \$2,000.00

Minimum Rents and Flat Rents

Families with annual income below \$2,500.00 will pay a minimum rent of \$50.00. In no event shall any family pay less than 25 percent of its Annual Income for TTP.

All residents at a rent of \$50.00, except for the elderly and persons with disabilities, are referred to the Family Self Sufficiency (FSS) Program for job or benefit counseling. Families may still choose the existing Flat Rent option for public housing.

Zero Income Households

Families with Annual Income below \$2,500 annually shall pay the minimum rent of \$50.00 per month.

All families placed on minimum rent with the exception of elderly and disabled families will be referred to the Family Self Sufficiency Program.

If a family is unable to pay the minimum rent because of a financial hardship, the family is eligible for a temporary or long-term hardship exemption from the minimum rent requirements.

All families placed on minimum rent must be informed in writing of the procedures for applying for a hardship exemption from the Minimum Rent Requirement and the ability to have minimum rent waived.

All families who apply for such hardship exemption, with the exception of elderly persons and persons with disabilities, will be referred to the Family Self Sufficiency Program in order to assist the family in moving towards self-sufficiency.

ECC/HANH will notify all families of their right to request a hardship exemption from the minimum rent requirements. Residents will be notified of their right to request a hardship exemption through the Application for Exemption from Minimum Rent, a copy of which will be provided to tenants at lease-up and at each recertification appointment and mailed to residents at each interim recertification. The policy and procedures for requesting such hardship exemption will also be included in tenant rent change notifications, the form lease agreement and all form documents related to the exemption process.

Criteria for Hardship Exemption From Minimum Rent Requirement

A family is automatically exempt from the minimum rent requirements for a 90-day period when the family's circumstances fall into any one of the following criteria:

1. When a family has lost eligibility or is awaiting eligibility determination from a Federal, State or local assistance program;

2. When the family would be evicted because it is unable to pay the minimum rent;
3. When the income of the family has decreased because of changed circumstances, including loss of employment;
4. When a death in the family has occurred; or
5. Other circumstances determined by ECC/HANH to be reasons to waive the minimum rent requirement (collectively, the "Criteria for Minimum Rent Exemption").

If a family is unable to pay the minimum rent because of a financial hardship, the family is eligible for a temporary or long-term hardship exemption from the minimum rent requirement.

A temporary hardship exemption exists when none of the above criteria is expected to last for more than 90 days.

A long-term hardship exemption exists when at least one of the above criteria is expected to last for more than 90 days.

A family may only receive one hardship exemption from the minimum rent requirement during a twelve-month period, unless a tenant is elderly, disabled, or is enrolled in ECC/HANH's Family Self Sufficiency Program. The minimum rent requirement may be waived more than once during a twelve-month period if at least one adult member of the household enrolls in the Family Self Sufficiency Program (the "FSS Program"). Elderly and disabled families are not required to enroll in the FSS Program.

Once the Authority identifies a resident's need for a hardship exemption from the minimum rent requirement or the family requests such exemption, the minimum rent shall be suspended immediately for a period of 90 days.

Hardship Review Committee

All "Applications for Exemption from Minimum Rent" shall be forwarded to the Hardship Review Committee.

The Hardship Review Committee shall consist of the Executive Director/President or his/her designee, the Sr. Vice President of Operations or his/her designee, the Vice President or his/her designee, and the Director of Community and Economic Development or his/her designee. At the family's option, the Hardship Review Committee may include one (1) resident of ECC/HANH who is in good standing.

The Application for Exemption from Minimum Rent shall originate from the family or from an ECC/HANH employee whenever evidence exists that the family falls into any one of the Criteria for Minimum Rent Exemption.

When a resident submits an application or an ECC/HANH employee submits an application on behalf of a resident, ECC/HANH will suspend the minimum rent requirement commencing on the first of the month following the date of the application for a period of 90 days.

The resident cannot be evicted for nonpayment of minimum rent while resident's Application for Exemption from Minimum Rent is pending or during the 90 day period of suspension, whichever is longer.

The Hardship Review Committee shall send a letter to all resident families who have applied for hardship exemption from minimum rent stating:

- (a) that ECC/HANH has received an Application for Exemption from Minimum Rent,
- (b) that ECC/HANH will suspend the minimum rent requirement for 90 days effective as of the first of the next month and the effective dates of the 90-day suspension,
- (c) that there can be no eviction for non-payment of rent during the suspension period;
- (d) the date for a meeting with the resident to discuss the hardship exemption request, giving the resident family at least ten days advance notice of such meeting and informing the resident that he or she may have one opportunity to reschedule the meeting; and
- (e) with the exception of elderly and disabled families, the resident family has been referred to the FSS program and will not be able to receive a hardship exemption in excess of 90 days without enrolling in the program.

The Hardship Review Committee will review the circumstances surrounding the request and determine if the request is temporary, long term or nonexistent.

1. If the Committee determines that ***the hardship is of a temporary nature (the hardship is expected to last less than 90 days)***, at the end of the 90-day period, the resident's rent will be reinstated to the minimum rent retroactively to the initial date of suspension. The resident will have an opportunity to enter into a reasonable repayment agreement with ECC/HANH for any back rent that is due and owing to ECC/HANH.
2. If the Committee determines that the ***hardship is of a long-term nature (the hardship is expected to last more than 90 days)***, the tenant shall be exempt from the minimum rent requirement from the first of the month following the date of the application for exemption from the minimum rent until such time that the hardship no longer exists.

ECC/HANH may deny a resident a long-term exemption from the minimum rent requirement, if the resident fails to attend the scheduled meeting with the Hardship Review Committee. ECC/HANH will provide each resident one opportunity to

reschedule the meeting. If the resident fails to attend the scheduled meetings, ECC/HANH may deny the long-term exemption from the minimum rent requirement. The letter scheduling the meeting shall inform residents that persons with disabilities are entitled to reasonable accommodation with regard to this requirement.

Except for Elderly or Disabled families, no tenant shall be exempt from the minimum rent requirement for more than 90 days during a one year period unless at least one member of the family who is 18 years of age or older enrolls and actively participates in ECC/HANH's FSS Program for job or benefit counseling. Such family member(s) shall enroll in the FSS Program within 30 days from the date of the Application for Exemption from Minimum Rent.

3. If the ***hardship is determined to be non-existent***, the resident will be responsible for paying rent to ECC/HANH for any rent that was suspended while tenant's Application for Exemption from Minimum Rent was pending. The minimum rent shall be re-instated retroactively to the initial date of the suspension. The resident will have an opportunity to enter into a reasonable repayment agreement with ECC/HANH for any back rent that is due and owing to ECC/HANH.

Upon completion of the review process, the Hardship Review Committee shall render a written recommendation to the President, who shall then adopt or reject the recommendation and shall issue a written decision that states as follows:

1. If the hardship exemption is determined to be temporary:

- (a) that a temporary hardship exemption was granted;
- (b) the effective dates of the exemption;
- (c) the basis for the decision to grant a temporary hardship exemption, including that a long-term exemption was denied and the reason that such long-term exemption was denied; and
- (d) that the resident has a right to enter into a reasonable repayment agreement with ECC/HANH for the minimum rent that was suspended and is now owing to ECC/HANH.

2. If the hardship exemption is determined to be long-term:

- (a) that a long-term hardship exemption was granted;
- (b) whether the long-term exemption is permanent or subject to periodic review and, if subject to periodic review, when such review will take place;
- (c) that all non-elderly, non-disabled residents are required to comply with FSS requirements as a condition of the receipt of a long-term exemption; and

- (d) that the resident must notify ECC/HANH within 10 days if the hardship ceases to exist because the resident has obtained a source of income sufficient to pay (at least) the minimum rent.

3. If the hardship is determined to be non-existent:

- (a) that a hardship exemption was denied;
- (b) the reason for such determination; and
- (c) the terms and conditions on which the resident family must pay back the minimum rent that was suspended and is now owing to ECC/HANH.

All letters concerning Hardship Review Committee determinations shall state that any resident who disagrees with the decision may request a grievance in accordance with ECC/HANH grievance procedures, a copy of which will be included with the written decision. In cases where a grievance is sought, no action shall be taken by ECC/HANH until the grievance process is completed.

Mixed Families

For mixed families, where some households include members with citizenship or eligible immigration status as well as those without, rents are calculated using the simplification model; subsidy is then prorated using current methods.

Fraud Prevention

After two or more instances of job loss or income drop within ninety (90) days of a scheduled reexamination (based on current and prior reexamination history), ECC/HANH sets a rent based on the past year's W-2 or other information available for income verification. Households are advised that this is a potential fraud issue and that they have the right to grieve through the normal process to more fully explain the reasons for the pattern of income loss. ECC/HANH will set the rent after the Conference Panel review.

Households with two or more instances of job loss or income drop within ninety (90) days of a scheduled certification do not have access to the Hardship Review Committee.

Rent Simplification Implementation - Public Housing

Residents received notice of the new policy on July 1, 2007 and the policy was effective on January 1, 2008 for all reexaminations with an anniversary effective date on or after January 1, 2008 and for all new lease-ups and residents requesting interim reexaminations after January 1, 2008.

**Low Income Public Housing (LIPH) Program
Rent Simplification Rent Tier Schedule**

Rent Tier						
Income Range						
\$0	\$2,499	\$50		\$36,500	\$37,499	\$867
\$2,500	\$3,499	\$59		\$37,500	\$38,499	\$891
\$3,500	\$4,499	\$83		\$38,500	\$39,499	\$914
\$4,500	\$5,499	\$107		\$39,500	\$40,499	\$938
\$5,500	\$6,499	\$131		\$40,500	\$41,499	\$962
\$6,500	\$7,499	\$154		\$41,500	\$42,499	\$986
\$7,500	\$8,499	\$178		\$42,500	\$43,499	\$1,009
\$8,500	\$9,499	\$202		\$43,500	\$44,499	\$1,033
\$9,500	\$10,499	\$226		\$44,500	\$45,499	\$1,057
\$10,500	\$11,499	\$249		\$45,500	\$46,499	\$1,081
\$11,500	\$12,499	\$273		\$46,500	\$47,499	\$1,104
\$12,500	\$13,499	\$297		\$47,500	\$48,499	\$1,128
\$13,500	\$14,499	\$321		\$48,500	\$49,449	\$1,152
\$14,500	\$15,499	\$344		\$49,500	Above	\$1,176
\$15,500	\$16,499	\$368				
\$16,500	\$17,499	\$392				
\$17,500	\$18,499	\$416				
\$18,500	\$19,499	\$439				
\$19,500	\$20,499	\$463				
\$20,500	\$21,499	\$487				
\$21,500	\$22,499	\$511				
\$22,500	\$23,499	\$534				
\$23,500	\$24,499	\$558				
\$24,500	\$25,499	\$582				
\$25,500	\$26,499	\$606				

\$26,500	\$27,499	\$629				
\$27,500	\$28,499	\$653				
\$28,500	\$29,499	\$677				
\$29,500	\$30,499	\$701				
\$30,500	\$31,499	\$724				
\$31,500	\$32,499	\$748				
\$32,500	\$33,499	\$772				
\$33,500	\$34,499	\$796				
\$34,500	\$35,499	\$819				
\$35,500	\$36,499	\$843				

Hardship Waiver Policy and Guidelines _

Families with Annual Income below \$2,500 annually shall pay the minimum rent of \$50.00 per month.

All families placed on minimum rent with the exception of elderly and disabled families will be referred to the Family Self Sufficiency Program.

If a family is unable to pay the minimum rent because of a financial hardship, the family is eligible for a temporary or long-term hardship exemption from the minimum rent requirements.

All families placed on minimum rent must be informed in writing of the procedures for applying for a hardship exemption from the Minimum Rent Requirement and the ability to have minimum rent waived.

All families who apply for such hardship exemption, with the exception of elderly persons and persons with disabilities, will be referred to the Family Self Sufficiency Program in order to assist the family in moving towards self-sufficiency.

ECC/HANH will notify all families of their right to request a hardship exemption from the minimum rent requirements and in accordance with the provisions set forth herein. Residents will be notified of their right to request a hardship exemption through the Application for Exemption from Minimum Rent, a copy of which will be provided to tenants at lease-up and at each recertification appointment and mailed to residents at each interim recertification. The policy and procedures for requesting such hardship exemption will also be included in tenant rent change notifications, the form lease agreement and all form documents related to the exemption process.

1. Criteria for Hardship Exemption from Minimum Rent Requirement

A family is automatically exempt from the minimum rent requirements for a 90-day period when the family's circumstances fall into any one of the following criteria:

1. When a family has lost eligibility or is awaiting eligibility determination from a Federal, State or local assistance program;
2. When the family would be evicted because it is unable to pay the minimum rent;
3. When the income of the family has decreased because of changed circumstances, including loss of employment;
4. When a death in the family has occurred; or
5. Other circumstances determined by ECC/HANH to be reasons to waive the minimum rent requirement (collectively, the "Criteria for Minimum Rent Exemption").

If a family is unable to pay the minimum rent because of a financial hardship, the family is eligible for a temporary or long-term hardship exemption from the minimum rent requirement.

A temporary hardship exemption exists when none of the above criteria is expected to last for more than 90 days.

A long-term hardship exemption exists when at least one of the above criteria is expected to last for more than 90 days.

A family may only receive one hardship exemption from the minimum rent requirement during a twelve month period, unless a tenant is elderly, disabled, or is enrolled in ECC/HANH's Family Self Sufficiency Program. The minimum rent requirement may be waived more than once during a twelve-month period if at least one adult member of the household enrolls in the Family Self Sufficiency Program (the "FSS Program"). Elderly and disabled families are not required to enroll in the FSS Program.

Once the Authority identifies a resident's need for a hardship exemption from the minimum rent requirement or the family requests such exemption, the minimum rent shall be suspended immediately for a period of 90 days.

2. Initiation of Hardship Exemption Review

An Application for Exemption from Minimum Rent may originate from either a ECC/HANH employee or the resident family.

ECC/HANH employees must complete and submit an Application for Exemption from Minimum Rent on behalf of a resident family whenever any evidence exists that the family falls into any one of the Criteria for Minimum Rent Exemption (as set forth above).

A resident family also has the right to request a hardship exemption from minimum rent. Such request must be in writing and must state the family circumstances that qualify the family for a hardship exemption.

3. Notification of the Right to a Hardship Exemption

ECC/HANH will notify all families of the ability to receive a hardship exemption from minimum rent and the procedures for applying for such a hardship exemption in the Application for Exemption from Minimum Rent, a copy of which will be provided to residents at lease up and at each recertification appointment or mailed to residents for interim recertifications.

ECC/HANH will also notify all families in writing of the ability to receive a hardship exemption from minimum rent and the procedures for applying for such a hardship exemption in the following documents: resident rent change notifications when monthly rent is set at the minimum rent, the form lease agreement and all form documents related to the hardship exemption process.

ECC/HANH will also notify all families in all of the above documents that all families that are exempt from the minimum rent requirement will be referred to the Family Self Sufficiency (FSS) Program in order to assist the family in moving toward self-sufficiency. Elderly and disabled families are not required to participate in the FSS program.

4. Hardship Review Committee

All “Applications for Exemption from Minimum Rent” shall be forwarded to the Hardship Review Committee.

The Hardship Review Committee shall consist of the Executive Director/President or his/her designee, the Sr. V.P. of Operations or his/her designee, the V.P of Housing Choice Voucher or his/her designee, and the Director of Community and Economic Development

or his/her designee. At the family's option, the Hardship Review Committee may include one (1) resident of ECC/HANH who is in good standing.

The Application for Exemption from Minimum Rent shall originate from the family or from a ECC/HANH employee whenever evidence exists that the family falls into any one of the Criteria for Minimum Rent Exemption.

When a resident submits an application or a ECC/HANH employee submits an application on behalf of a resident, ECC/HANH will suspend the minimum rent requirement commencing on the first of the month following the date of the application for a period of 90 days.

The resident cannot be evicted for nonpayment of minimum rent while resident's Application for Exemption from Minimum Rent is pending or during the 90-day period of suspension, whichever is longer.

The Hardship Review Committee shall send a letter to all resident families who have applied for hardship exemption from minimum rent stating:

- (a) that ECC/HANH has received an Application for Exemption from Minimum Rent,
- (b) that ECC/HANH will suspend the minimum rent requirement for 90 days effective as of the first of the next month and the effective dates of the 90-day suspension,
- (c) that there can be no eviction for non-payment of rent during the suspension period;
- (d) the date for a meeting with the resident to discuss the hardship exemption request, giving the resident family at least ten days advance notice of such meeting and informing the resident that he or she may have one opportunity to reschedule the meeting; and
- (e) that, with the exception of elderly and disabled families, the resident family has been referred to the FSS program and will not be able to receive a hardship exemption in excess of 90 days without enrolling in the program.

The Hardship Review Committee will review the circumstances surrounding the request and determine if the request is temporary, long term or nonexistent.

1. If the Committee determines that *the hardship is of a temporary nature (the hardship is expected to last less than 90 days)*, at the end of the 90-day period, the resident's rent will be reinstated to the minimum rent retroactively to the initial date of suspension. The resident will have an opportunity to enter into a reasonable repayment agreement with ECC/HANH for any back rent that is due and owing to ECC/HANH/ELM CITY COMMUNITIES.
2. If the Committee determines that the *hardship is of a long-term nature (the hardship is expected to last more than 90 days)*, the tenant shall be exempt from the minimum rent requirement from the first of the month following the date of the application for exemption from the minimum rent until such time that the hardship no longer exists.

ECC/HANH may deny a resident a long-term exemption from the minimum rent requirement, if the resident fails to attend the scheduled meeting with the Hardship Review Committee. ECC/HANH will provide each resident one opportunity to reschedule the meeting. If the resident fails to attend the scheduled meetings, ECC/HANH may deny the long-term exemption from the minimum rent requirement. The letter scheduling the meeting shall inform residents that persons with disabilities are entitled to reasonable accommodation with regard to this requirement.

Except for Elderly or Disabled families, no tenant shall be exempt from the minimum rent requirement for more than 90 days during a one year period unless at least one member of the family who is 18 years of age or older enrolls and actively participates in ECC/HANH/ELM CITY COMMUNITIES's FSS Program for job or benefit counseling. Such family member(s) shall enroll in the FSS Program within 30 days from the date of the Application for Exemption from Minimum Rent.

3. If the *hardship is determined to be non-existent*, the resident will be responsible for paying rent to ECC/HANH for any rent that was suspended while tenant's Application for Exemption from Minimum Rent was pending. The minimum rent shall be re-instated retroactively to the initial date of the suspension. The resident will have an opportunity to enter into a reasonable repayment agreement with ECC/HANH for any back rent that is due and owing to ECC/HANH/ELM CITY COMMUNITIES.

Upon completion of the review process, the Hardship Review Committee shall render a written recommendation to the Executive Director/President, who shall then adopt or reject the recommendation and shall issue a written decision that states as follows:

4. **If the hardship exemption is determined to be temporary:**

- (a) That a temporary hardship exemption was granted;
- (b) the effective dates of the exemption;

- (c) the basis for the decision to grant a temporary hardship exemption, including that a long-term exemption was denied and the reason that such long-term exemption was denied; and
- (d) that the resident has a right to enter into a reasonable repayment agreement with ECC/HANH for the minimum rent that was suspended and is now owing to ECC/HANH/ELM CITY COMMUNITIES.

5. If the hardship exemption is determined to be long-term:

- (a) that a long-term hardship exemption was granted;
- (b) whether the long-term exemption is permanent or subject to periodic review and, if subject to periodic review, when such review will take place;
- (c) that all non-elderly, non-disabled residents are required to comply with FSS requirements as a condition of the receipt of a long-term exemption; and
- (d) that the resident must notify ECC/HANH within 10 days if the hardship ceases to exist because the resident has obtained a source of income enough to pay (at least) the minimum rent.

6. If the hardship is determined to be non-existent:

- (a) that a hardship exemption was denied;
- (b) the reason for such determination; and
- (c) the terms and conditions on which the resident family must pay back the minimum rent that was suspended and is now owing to ECC/HANH/ELM CITY COMMUNITIES.

All letters concerning Hardship Review Committee determinations shall state that any resident who disagrees with the decision may request a grievance in accordance with ECC/HANH/ELM CITY COMMUNITIES's grievance procedures, a copy of which will be included with the written decision. In cases where a grievance is sought, no action shall be taken by ECC/HANH until the grievance process is completed.

7. Termination of Long-Term Exemptions

ECC/HANH may conduct periodic reviews of all long-term hardship exemptions to determine if the hardship continues to exist and, for non-elderly and non-disabled residents, whether the resident is complying with FSS requirements.

If ECC/HANH determines that a family is no longer eligible for a long-term hardship exemption (because the hardship no longer exists or the non-elderly/non-disabled tenant has not

complied with FSS requirements), ECC/HANH shall notify the family of the proposed termination of the long-term hardship exemption, the effective date of the proposed termination, and the reason for such proposed termination. This letter shall be delivered to the resident by first class mail no later than thirty (30) days prior to the effective date of the proposed termination. Any resident who disagrees with the proposed termination may request a grievance in accordance with ECC/HANH/ELM CITY COMMUNITIES's grievance procedures, a copy of which will be included in the notice of termination. In cases where an appeal is sought, no action shall be taken by ECC/HANH until the grievance process is completed.

The President may waive any or all of these requirements in cases where he/she determines that the hardship conditions are likely to be permanent.

PUBLIC HOUSING RENT SIMPLIFICATION SUMMARY

EXCEPTIONS TO LIPH REGULATIONS

Topic	Regulatory Provision	Current Policy	Alternative MTW Policy for Public Housing Program
Annual Income	24 CFR Part 5.609(a)(4) 5.609(c)(8) (x11	Any income derived from an asset to which any member of the family has access Adoption assistance payments for any child in excess of \$480.00 received.	Excludes asset from the determination of annual income to the extent the amount does not exceed \$50,000. All income earned by fulltime student will be excluded who is over 18. Students who are HOH or spouse are not excluded. All income earned by a family from adoption assistance will be excluded.
Income Exclusion for Person Enrolled in FSS Program	24 CFR Part 5.609(b)(1)	Incremental earnings and benefits resulting in any family member from participation in a qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff.	Exclude 100 percent of any incremental earnings from wages or salaries earned by any family member during the first year of FSS program participation, 75% in 2 nd year, 50% in 3 rd year, 25% in 4 th year and 0% in 5 th year, as long as the household is enrolled in the FSS Program. This will not exceed 5 years. A family's eligibility to receive this optional income disallowance is limited to a total of 48 months. In addition, for families that qualify and receive the federal EID, the total number of months that a family may receive the optional income

Topic	Regulatory Provision	Current Policy	Alternative MTW Policy for Public Housing Program
			<p>disallowance provided for under this subparagraph and under the Federal Earned Income Disregard (EID) may not exceed 48 months. In no event shall the family receive the exclusion provided for under this subparagraph during the same period said family member is receiving the federal EID as set forth in 24 CFR Part 5.617.</p> <p>Additionally, the current exclusion covering incremental earnings of any family participating in a state or local program will be expanded to include any qualifying federal program, whether or not the member is enrolled in the FSS program</p>
Business Income for Resident Owned Businesses	24 CFR Part 5.609(b)(2)	The net income from the operation of a business or profession is included in determining annual income.	Exclude 100 Percent of any net income derived from the operation of a businesses; provided the business qualifies as a resident owned business under 24 CFR Part 963.5. During the first year of enrollment in FSS program 100 percent; 75 percent in the second year; 50 percent in the third year; 25 percent in the fourth year; 0 percent exclusion thereafter.

Topic	Regulatory Provision	Current Policy	Alternative MTW Policy for Public Housing Program
Earned Income Disallowance	24 CFR Part 960.255	Incremental income earned by a family member, provided the increase in income is the result (1) of employment of a family member was previously unemployed for one or more years prior to employment; (2) increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or (3) result of new employment or increased earnings of a family member during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families	<p>ECC/HANH will continue to implement the Earned Income Disregard (EID). The maximum amount of time a family may participate in the program combined with the Family Self Sufficiency Program (FSS) is 48 months. After 24 months, when the EID is exhausted, the family member may enter the FSS Program and 50% of their earnings may be excluded. They will then continue to exclude 25% in the fourth year and 0% thereafter. This will allow more families to enter and benefit from the program.</p> <p>In no event shall the family receive the exclusion provided for under this subparagraph during the same period said family member is receiving EID as set forth in 24 CFR Part 5.617. In addition, the total number of months that a family may receive the exclusion provided for under this subparagraph and under the EID may not exceed 48 months.</p>
Mandatory Deductions	24 CFR Part 5.611	(1) \$480 for each dependent; (2) \$400 for any elderly family or disabled family; (3) The sum of the following to the extent the sum exceeds three percent of annual income: (i) Un-reimbursed medical expenses of any elderly family or disabled family; and (ii) reimbursed reasonable attendant care and auxiliary apparatus expenses for	Eliminate the outlined mandatory deductions under this part. These deductions will be considered as Exceptional Expense Deductions

Topic	Regulatory Provision	Current Policy	Alternative MTW Policy for Public Housing Program
		<p>each member of the family who is a person with disabilities</p> <p>(4) Any reasonable childcare expenses necessary to enable a member of the family to be employed or to further his or her education.</p>	
Additional (Exception) Expenses Deductions	24 CFR 5.611	A PHA may adopt additional deductions from annual income. ECC/HANH had none	Families with verifiable deductions in excess of \$2,000 will be allowed to request that these additional expenses be used in determining TTP. These verifiable deductions must exceed \$2,000 and shall be the sum of (1) Mandatory Deductions determined in accordance with Section 5.611 (2), plus non-reimbursed utility expenses (except telephone and cable)
Total Tenant Payment	24 CFR 5.628	<p>(a) Determining total tenant payment (TTP). Total tenant payment is</p> <p>the highest of the following amounts, rounded to the nearest dollar:</p> <p>(1) 30 percent of the family's monthly adjusted income;</p>	The Total Tenant Payment (TTP) will be based upon (1) income tiered TTP structure or the minimum TTP \$50 for a family with income of up to \$2,500 annually.

Topic	Regulatory Provision	Current Policy	Alternative MTW Policy for Public Housing Program
		<p>(2) 10 percent of the family's monthly income;</p> <p>(3) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of those payments which is so designated; or</p> <p>(4) The minimum rent, as determined in accordance with Sec. 5.630.</p>	
Hardship Provision for Exceptional Expenses	24 CFR 5.611(2))	A PHA may adopt additional deductions from annual income. The PHA must establish a written policy for such deductions.	<p>A family may be exempt from minimum rent as follows;</p> <ul style="list-style-type: none"> (a) When the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State or local assistance program, including a family that includes a member who is a non-citizen (b) When the family would be evicted because it is unable to pay the minimum rent (c) When the income of the family has decreased because of changed circumstances, including loss of employment. <p>Family whose shelter expenses, plus un-reimbursed medical,</p>

Topic	Regulatory Provision	Current Policy	Alternative MTW Policy for Public Housing Program
			childcare and disability expenses exceed 40 percent of annual income or whose medical, childcare or disability expenses of \$6,000 or more annually may seek a deduction in rent for exceptional expenses.
Minimum Rent	24 CFR 5.630	<p>A family may be exempt from minimum rent of \$50.00 as follows: (i) When the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State, or local assistance</p> <p>program, including a family that includes a member who is a non-citizen; (ii) When the family would be evicted because it is unable to pay</p> <p>the minimum rent; (iii) When the income of the family has decreased because of changed circumstances; (iv) a death has occurred in the family's household; (v) any other circumstances to be considered by the PHA to be reason to waive the minimum rent requirement.</p>	A family may only receive one hardship exemption from the minimum rent requirement during a twelve month period, unless a tenant is elderly, disabled, or is enrolled in ECC/HANH/ELM CITY COMMUNITIES's Family Self Sufficiency Program. The minimum rent requirement may be waived more than once during a twelve-month period if at least one adult member of the household enrolls in the Family Self Sufficiency Program (the "FSS Program"). Elderly and disabled families are not required to enroll in the FSS Program.
Utility Allowances and Reimbursements	24 CFR 5.632(a) and (b)	Tenant Paid Utilities to be deducted from TTP to determine tenant rent.	No. Change. ECC/HANH will pay all utilities except for electricity at Westville Manor, Fairmont Heights, McConaughy Terrace and all Scattered Site properties.
Annual Reexamination of Income and	24 CFR 960 Part 257	Reexamination of income must occur every year, except every two years for elderly or disabled households.	Reexamination of income will occur every three years for Elderly and Disabled families and every two years for all other

Topic	Regulatory Provision	Current Policy	Alternative MTW Policy for Public Housing Program
Family Composition			families. Annual update of changes in family composition for persons 18 years of age and older that are added or subtracted from the family. ECC/HANH will do UIV and submit a 50058 annually. Additionally, the Community Service requirement will be reviewed annually for all household members who are not disabled, working less than 20 hours per week or enrolled in classes under the FSS program.
Interim Reexamination	24 CFR 960 Part 257	A family may request an interim reexamination of family income because of any changes since the last examination. The owner must make the interim reexamination within a reasonable time after the family request. Currently, family must report any change in income that amounts to \$200 or more a month.	A family can request only three interim re-examinations each 12 months with the exceptions of those conditions where they are required to report certain changes in family composition or certain changes in family income. A family, except for elderly or disabled or a family enrolled in FSS may make one request for an interim for a hardship exemption each 12 months.
Verification of Wages, Salaries and Assets below \$5,000 and Assets below \$50,000	24 CFR 5.659	The owner must obtain and document in the family's file third party verification of the following factors, or must document in the file why third party verification was not available : (1) Reported family annual income; (2) The value of assets; (3) Expenses related to deductions from annual income; and (4) Other factors that affect the determination of adjusted income.	Only a self-certification will be required for income up to and including \$5,000.00. For income above \$5,000.00 two most recent pay stubs or a W-2 or 1099 dated within 90 days of effective date of re-examination. ECC/HANH will continue to conduct EIV or UIV. Asset exclusion is raised to \$50,000.00 and only self-certification will be required.

Topic	Regulatory Provision	Current Policy	Alternative MTW Policy for Public Housing Program
Determination of Tenant Total Payment (TTP)	24 CFR 5.628	<p>a) Determining total tenant payment (TTP). Total tenant payment is</p> <p>the highest of the following amounts, rounded to the nearest dollar: (1) 30 percent of the family's monthly adjusted income; (2) 10 percent of the family's monthly income; (3) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of those payments which is so designated; or (4) The minimum rent</p>	<p>TTP based upon income-tiered approach. No family shall be subject to an increase in TTP of greater than \$25.00 a month during the second year that the family is subject to the Rent Simplification Policy. The increase in TTP during the third year the family is subject to Rent Simplification shall not exceed more than \$50 during the third year; \$75 a month during the fourth year; and \$100 a month above the monthly TTP in the year immediately preceding the implementation of Rent Simplification. The families TTP after the fifth year shall be whatever amount is determined under Rent Simplification. These limitations on rent increase shall only apply to increases in TTP that result from the imposition of Rent Simplification and not for increases that result from changes in family composition or changes in family income.</p>

--

Chapter 16

PROGRAM ADMINISTRATION

INTRODUCTION

This chapter discusses administrative policies and practices that are relevant to the activities covered in this ACOP. The policies are discussed in seven parts as described below:

Part I: Setting Utility Allowances. This part describes how utility allowances are established and revised. Also discussed are the requirements to establish surcharges for excess consumption ECC/HANH furnished utilities.

Part II: Establishing Flat Rents and Public Housing Maximum Rents. This part describes the requirements and policies related to establishing and updating flat rent amounts and public housing maximum rents.

Part III: Repayment of Family Debts. This part contains policies for recovery of monies that have been underpaid by families, and describes the circumstances under which ECC/HANH will offer repayment agreements to families. Also discussed are the consequences for failure to make payments in accordance with a repayment agreement.

Part IV: Record Keeping. All aspects of the program involve certain types of record-keeping. This part outlines the privacy rights of applicants and participants and record retention policies ECC/HANH will follow.

Part V: Reporting and Record Keeping for Children with Environmental Intervention Blood Lead Level. This part describes the ECC/HANH's reporting responsibilities related to children with environmental intervention blood lead levels that are living in public housing.

Part VI: Violence against Women Act (VAWA): Notification, Documentation, and Confidentiality. This part contains key terms used in VAWA and describes requirements related to notifying families about their rights and responsibilities under VAWA; requesting documentation from victims of domestic violence, dating violence, sexual assault, and stalking; and maintaining the confidentiality of information obtained from victims.

PART I: SETTING UTILITY ALLOWANCES [24 CFR 965 Subpart E]

16-I.A. OVERVIEW

ECC/HANH must establish allowances for ECC/HANH furnished utilities for all check metered utilities and for resident-purchased utilities for all utilities purchased directly by residents from a utility supplier [24 CFR 965.502(a)].

ECC/HANH must also establish surcharges for excess consumption of ECC/HANH furnished utilities.

ECC/HANH must maintain a record that documents the basis on which utility allowances and scheduled surcharges are established and revised, and the record must be made available for inspection by residents [24 CFR 965.502(b)].

16-I.B UTILITY ALLOWANCES

ECC/HANH must establish separate allowances for each utility and for each category of dwelling units ECC/HANH determines to be reasonably comparable as to factors affecting utility usage [24 CFR 965.503].

The objective of ECC/HANH establishing utility allowances for each dwelling unit category and unit size is to approximate a reasonable consumption of utilities by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment [24 CFR 965.505].

Utilities include gas, electricity, fuel for heating, water, sewerage, and solid waste disposal for a dwelling unit. In addition, if ECC/HANH does not furnish a range and refrigerator, the family must be granted a utility allowance for the range and refrigerator they provide [24 CFR 965.505].

Costs for telephone, cable/satellite TV, and internet services are not considered utilities [PH Occ GB, p. 138].

Utility allowance amounts will vary by the rates in effect, size and type of unit, climatic location and siting of the unit, type of construction, energy efficiency of the dwelling unit, and other factors related to the physical condition of the unit. Utility allowance amounts will also vary by residential demographic characteristics affecting home energy usage [PH Occ GB, p. 138].

Chapter 14 of the *PH Occupancy Guidebook* provides detailed guidance to ECC/HANH about establishing utility allowances.

Air-Conditioning

“If a PHA installs air conditioning, it shall provide, to the maximum extent economically feasible, systems that give residents the option of choosing to use air conditioning in their units. The design of systems that offer each resident the option to choose air conditioning shall include retail meters or check meters, and residents shall pay for the energy used in its operation. For systems that offer residents the option to choose air conditioning but cannot be check metered, residents are to be surcharged in accordance with 965.506. If an air conditioning system does not provide for resident option, residents are not to be charged, and these systems should be avoided whenever possible.” [24 CFR 965.505(e)]

ECC/HANH Policy

ECC/HANH has air conditioning in some but not all of its developments

Utility Allowance Revisions [24 CFR 965.507]

ECC/HANH must review at least annually, the basis on which utility allowances have been established and must revise the allowances if necessary, in order to adhere to the standards for establishing utility allowances that are contained in 24 CFR 965.505.

ECC/HANH may revise its allowances for resident-purchased utilities between annual reviews if there is a rate change, and is required to do so if such change, by itself or together with prior rate changes not adjusted for, results in a change of 10 percent or more from the rate on which the allowance was based.

Adjustments to resident payments as a result of such changes must be retroactive to the first day of the month following the month in which the last rate change taken into account became effective.

ECC/HANH Policy

Between annual reviews of utility allowances, ECC/HANH will only revise its utility allowances due to a rate change, when required to by the regulation.

16-I.C. SURCHARGES FOR ECC/HANH-FURNISHED UTILITIES [24 CFR 965.506]

For dwelling units subject to allowances for ECC/HANH furnished utilities where check meters have been installed, ECC/HANH must establish surcharges for utility consumption in excess of the allowances. Surcharges may be computed on a straight per unit of purchase basis or for stated blocks of excess consumption, and must be based on ECC/HANH'S average utility rate. The basis for calculating the surcharges must be described in ECC/HANH's schedule of allowances. Changes in the amount of surcharges based directly on changes in ECC/HANH's average utility rate are not subject to the advance notice requirements discussed under 16-I.D.

For dwelling units served by ECC/HANH furnished utilities where check meters have not been installed, ECC/HANH must establish schedules of surcharges indicating additional dollar amounts residents will be required to pay by reason of estimated utility consumption attributable to resident-owned major appliances or to optional functions of ECC/HANH furnished equipment. The surcharge schedule must state the resident-owned equipment (or functions of ECC/HANH furnished equipment) for which surcharges will be made and the amounts of such charges. Surcharges must be based on the cost to ECC/HANH of the utility consumption estimated to be attributable to reasonable usage of such equipment.

ECC/HANH Policy

Some, but not all, of ECC/HANH's developments have ECC/HANH furnished utilities.

16-I.D. NOTICE REQUIREMENTS [965.502]

ECC/HANH must give notice to all residents of proposed allowances and scheduled surcharges, and revisions thereof. The notice must be given in the manner provided in the lease and must:

- Be provided at least 60 days before the proposed effective date of the allowances, scheduled surcharges, or revisions.
- Describe the basis for determination of the allowances, scheduled surcharges, or revisions, including a statement of the specific items of equipment and function whose utility consumption requirements were included in determining the amounts of the allowances and schedule of surcharges.
- Notify residents of the place where ECC/HANH's documentation on which allowances and surcharges are based is available for inspection.
- Provide all residents an opportunity to submit written comments during a period expiring not less than 30 days before the proposed effective date of the allowances, scheduled surcharges, or revisions.

16-I.E. REASONABLE ACCOMMODATION [24 CFR 965.508]

On request from a family that includes a disabled or elderly person, ECC/HANH must approve a utility allowance that is higher than the applicable amount for the dwelling unit if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family [PH Occ GB, p. 172].

Likewise, residents with disabilities may not be charged for the use of certain resident-supplied appliances if there is a verified need for special equipment because of the disability [PH Occ GB, p. 172].

See Chapter 2 for policies regarding the request and approval of reasonable accommodations.

PART II: ESTABLISHING FLAT RENTS AND PUBLIC HOUSING MAXIMUM RENTS

16-II.A. OVERVIEW

Flat rents are designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient.

Public housing maximum rents are needed to prorate assistance for a mixed family. A mixed family is one whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigrations status [24 CFR 5.504].

This part discusses how ECC/HANH establishes and updates flat rents and public housing maximum rents. Policies related to the use of flat rents, family choice of rent, flat rent hardships, and public housing maximum rents are discussed in Chapter 6.

16-II.B. FLAT RENTS [24 CFR 960.253(b) and Notice PIH 2015-13]

Establishing Flat Rents

The 2015 Appropriations Act requires that flat rents must be set at no less than 80 percent of the applicable fair market rent (FMR). Alternatively, ECC/HANH may set flat rents at no less than 80 percent of the applicable small area FMR (SAFMR) for metropolitan areas, or 80 percent of the applicable unadjusted rents for nonmetropolitan areas.

For areas where HUD has not determined a SAFMR or an unadjusted rent, ECC/HANH must set flat rents at no less than 80 percent of the FMR or apply for an exception flat rent.

The 2015 Appropriations Act permits ECC/HANH to request an exception flat rent that is lower than either 80 percent of the FMR or SAFMR/unadjusted rent if the ECC/HANH can demonstrate that these FMRs do not reflect the market value of a particular property or unit.

In order to demonstrate the need for an exception flat rent, ECC/HANH is required to submit a market analysis methodology that demonstrates the value of the unit. ECC/HANH must use HUD's rent reasonableness methodology to determine flat rents. In determining flat rents, ECC/HANH must consider the following:

- Location
- Quality
- Unit size
- Unit type
- Age of property
- Amenities at the property and in immediate neighborhood
- Housing services provided
- Maintenance provided by the ECC/HANH
- Utilities provided by the ECC/HANH

ECC/HANH must receive written HUD approval before implementing exception flat rents. If ECC/HANH uses exception flat rents, ECC/HANH must conduct a new market analysis, and obtain HUD approval, annually.

ECC/HANH is now required to apply a utility allowance to flat rents. Flat rents set at 80 percent of the FMR must be reduced by the amount of the unit's utility allowance, if any.

Review of Flat Rents

No later than 90 days after HUD publishes new annual FMRs/SAFMRs/unadjusted rent, ECC/HANH must revise flat rents as necessary based changes to the FMR/SAFMR/unadjusted rent. ECC/HANH must offer changes to the flat rent to all new admissions and to existing families at the next annual rent option.

If the FMR falls from year to year, ECC/HANH may, but is not required to, lower the flat rent to 80 percent of the current FMR/SAFMR/unadjusted rent.

ECC/HANH Policy

If the FMR is higher than the previous year, ECC/HANH will offer the new flat rent at regular reexamination.

According to the Annual MTW Plan, Initiative 3.1 – Rent, as of FY 2020 the Flat Rent option certification form will only be signed at time of biennial/triennial certification, however, families will have the opportunity to switch to the Flat rent once a year. Annual notice must go out to families, but signature will not be required except for at time of scheduled bi/tri certification. This change is in line with efforts to streamline the certification process; relieving staff of the additional burden and allowing families to benefit from the full extent of Rent Simplification as written.

If the FMR/SAFMR/unadjusted rent is lower than the previous year, ECC/HANH will reduce flat rents to 80 percent of the current FMR/SAFMR.

Flat Rents will be effective on January 1 of each year.

Posting of Flat Rents

ECC/HANH Policy

ECC/HANH will publicly post the schedule of flat rents in a conspicuous manner in the applicable/HANH or property management office.

Documentation of Flat Rents [24 CFR 960.253(b)(5)]

ECC/HANH must maintain records that document the method used to determine flat rents, and that show how flat rents were determined by ECC/HANH in accordance with this method.

16-II.C. PUBLIC HOUSING MAXIMUM RENTS

Establishing Public Housing Maximum Rents

ECC/HANH is prohibited from making financial assistance available to persons who are not citizens or nationals of the United States, and to those who do not have eligible immigration status [24 CFR 5.500]. Therefore, in order to assist mixed families, ECC/HANH must prorate

assistance. Public housing maximum rents are needed in order to calculate the tenant rent for a mixed family.

ECC/HANH Policy

The public housing maximum rent is based on the flat rent for the unit.

ECC/HANH may use the “direct comparison” or the “unit distribution” method for establishing the public housing maximum rents for each unit size. Appendix H, of Guidebook 7465.G, Restrictions on Assistance to Noncitizens provides detailed guidance on how to establish public housing maximum rents using the methodologies identified above.

Review of Public Housing Maximum Rents

ECC/HANH Policy

ECC/HANH will recalculate the public housing maximum rents as flat rents are revised.

Posting of Public Housing Maximum Rents

ECC/HANH Policy

ECC/HANH will publicly post the schedule of public housing maximum rents in a conspicuous manner in the applicable ECC/HANH or property management office.

Documentation of Public Housing Maximum Rents

ECC/HANH Policy

ECC/HANH bases the public housing maximum rent on the flat rent for the unit, and retains documentation.

PART III: FAMILY DEBTS TO ECC/HANH

16-III.A. OVERVIEW

This part describes ECC/HANH'S policies for recovery of monies owed to ECC/HANH by families.

ECC/HANH Policy

When an action or inaction of a resident family results in the underpayment of rent or other amounts, ECC/HANH holds the family liable to return any underpayments to ECC/HANH.

ECC/HANH will enter into repayment agreements in accordance with the policies contained in this part as a means to recover overpayments.

When a family refuses to repay monies owed to ECC/HANH, -ECC/HANH will utilize other available collection alternatives including, but not limited to, the following:

- Collection agencies
- Small claims court
- Civil lawsuit
- State income tax set-off program

16-III.B. REPAYMENT POLICY

Family Debts to ECC/HANH

ECC/HANH Policy

Any amount owed to ECC/HANH by a public housing family must be repaid. If the family is unable to repay the debt within 30 days, ECC/HANH will offer to enter into a repayment agreement in accordance with the policies below.

The term *repayment agreement* refers to a formal document signed by a resident and provided to ECC/HANH in which a resident acknowledges a balance owed to ECC/HANH and agrees to make payments toward the balance as well as continue to pay the monthly rent amount.

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, ECC/HANH will terminate the family's tenancy in accordance with the policies in Chapter 13. ECC/HANH will also pursue other modes of collection.

General Repayment Agreement Guidelines

Limit on Repayment Agreements

ECC/HANH Policy

ECC/HANH generally will not enter into a repayment agreement.

No Offer of Repayment Agreement

ECC/HANH Policy

ECC/HANH will not enter into a repayment agreement:

If there is already a repayment agreement in place with the family.

If ECC/HANH determines that the family committed program fraud and owes ECC/HANH \$1,000 or more as a result of ECC/HANH's investigation or information from an outside source

If ECC/HANH determines that the debt is larger than can be paid back by the family within 12 months.

Any recommendation by an ECC/HANH manager to enter into a repayment agreement for residents with a balance of \$1000 or more must be approved by the Executive Director/President or designee. The recommendation/request to enter into a repayment agreement of \$1,000 or more is in the form of a document prepared by the manager upon consultation with the Executive Director/President. The document is prepared for signature based upon such consultation with the Executive Director/President.

Initial Payment Due

ECC/HANH Policy

This schedule does not apply to families who owe ECC/HANH as a result of program abuse. Prior to the execution of a repayment agreement, the family must pay a percentage of the balance owed to ECC/HANH as follows:

Initial Payment Due

<i>(% of Total Amount)</i>	<i>Amount Owed</i>
20%	\$0 - \$499
15%	\$500 or more

If the family can provide evidence satisfactory to ECC/HANH that the initial payment due would impose an undue hardship, ECC/HANH may, in its sole discretion, require a lesser percentage or waive the requirement.

Repayment Agreement Length

ECC/HANH Policy

Amounts of \$1,000 or more are not eligible for repayment agreements.

Amounts of \$500 but less than \$1,000 must be repaid within 12 months.

Amounts under \$500 must be repaid within 6 months.

Amounts of \$500 or more, or one month's use and occupancy, must be referred to ECC/HANH's Legal Department. The minimum monthly payment for a payment agreement other than for program fraud is \$25, with the stipulation that the amount owed must be paid within the repayment agreement length.

Payment Thresholds

Notice PIH 2010-19 acknowledges that PHAs have the discretion to establish “thresholds”.

Reduction in Monthly Payments

ECC/HANH Policy

Monthly payments may be decreased in cases of family hardship and if requested with reasonable notice from the family, verification of the hardship, and the approval of the Housing Manager and Legal Department.

Execution of the Agreement

ECC/HANH Policy

Any repayment agreement between ECC/HANH and a family must be signed and dated by ECC/HANH and by the head of household and spouse/cohead (if applicable) and signed by the Housing Manager and Legal Department.

Form of Payment

ECC/HANH Policy

Payments may only be made by money order or cashier's check.

Due Dates

ECC/HANH Policy

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

Late or Missed Payments

ECC/HANH Policy

If a payment is not received by the end of the business day on the date due, and prior approval for the missed payment has not been given by ECC/HANH, ECC/HANH will send the family a delinquency notice giving the family 10 business days to make the late payment. If the payment is not received by the due date of the delinquency notice, it will be considered a breach of the agreement and ECC/HANH will terminate tenancy in accordance with the policies in Chapter 13.

If a family receives three delinquency notices for unexcused late payments in a 12-month period, the repayment agreement will be considered in default. ECC/HANH's notice of default will give the family the opportunity to cure by requiring the family to pay the balance in full prior to the due date. If the balance in full is not paid by the due date stipulated in the repayment agreement default notice, ECC/HANH will issue a termination notice and will terminate tenancy in accordance with the policies in Chapter 13.

ECC/HANH will also refuse to enter into future repayment agreements with the family.

Moves to Another Unit

ECC/HANH Policy

If the agreement is not in arrears, the family will be permitted to move.

If the agreement is in arrears, the family will be required to pay the balance in full or be terminated from the program.

Family error/late reporting

ECC/HANH Policy

Families who owe money to ECC/HANH due to the family's failure to report changes in income as required by ECC/HANH policies in a timely manner, per ECC/HANH policies, will be required to repay in accordance with the guidelines in the Down Payment Requirement and Payment Thresholds sections of this part.

Program Fraud

ECC/HANH Policy

Families who owe money to ECC/HANH due to program fraud, other than what is described in the No Offer of Repayment Agreement section of this part, will be required to pay in accordance with the Payment Procedures for Program Fraud below.

If a family owes an amount of \$1,000.00 or more as a result of program fraud, no repayment agreement will be offered per No Offer of Repayment Agreement section above.

If a family owes an amount of \$5,000 or more as a result of program fraud, the case will be referred to the HUD Office of Inspector General. If the amount owed by the family meets or exceeds the federal or state threshold for criminal prosecution, ECC/HANH will refer the case for criminal prosecution.

Payment Procedures for Program Fraud

ECC/HANH Policy

Families who commit program fraud will be subject to the following procedures:

The maximum time period for a Payment Agreement will be 12 months.

The family will be required to make a minimum down payment of one third (1/3) of the balance or \$250, whichever amount is greater, prior to or upon execution of the Payment Agreement.

The minimum monthly payment will be \$50.00.

Repayment Agreements Involving Improper Payments

Notice PIH 2010-19 requires certain provisions to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

- A reference to the items in the public housing lease that state the family's obligation to provide true and complete information at every reexamination and the grounds on which ECC/HANH may terminate assistance because of a family's action or failure to act
- A statement clarifying that each month the family not only must pay to ECC/HANH the monthly payment amount specified in the agreement but must also pay to ECC/HANH the monthly tenant rent
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of tenancy

PART IV: RECORD KEEPING

16-IV.A. OVERVIEW

ECC/HANH 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. All such records must be made available to HUD or the Comptroller General of the United States upon request.

In addition, ECC/HANH must ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights, and that comply with VAWA 2013 confidentiality requirements.

16-IV.B. RECORD RETENTION

ECC/HANH must keep the last three years of the Form HUD-50058 and supporting documentation during the term of each assisted lease, and for a period of at least three years from the end of participation (EOP) date [24 CFR 908.101].

Notice PIH 2014-20 requires ECC/HANH to keep records of all complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule.

ECC/HANH Policy

During the term of each public housing tenancy, and for at least four years thereafter, ECC/HANH will keep all documents related to a family's eligibility, tenancy, and termination.

In addition, ECC/HANH will keep the following records for at least four years:

- An application from each ineligible family and notice that the applicant is not eligible

- Lead-based paint records as required by 24 CFR 35, Subpart B

- Documentation supporting the establishment of flat rents and the public housing maximum rent

- Documentation supporting the establishment of utility allowances and surcharges

- Documentation related to PHAS

- Accounts and other records supporting ECC/HANH budget and financial statements for the program

- Complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule

- Other records as determined by ECC/HANH or as required by HUD

If a hearing to establish a family's citizenship status is held, longer retention requirements apply for some types of documents. For specific requirements, see Section 14-II.A.

16-IV.C. RECORDS MANAGEMENT

ECC/HANH must maintain applicant and participant files and information in accordance with the regulatory requirements described below.

ECC/HANH Policy

All applicant and participant information will be kept in a secure location and access will be limited to authorized ECC/HANH staff.

ECC/HANH staff will not discuss personal family information unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

Privacy Act Requirements [24 CFR 5.212 and Form-9886]

The collection, maintenance, use, and dissemination of social security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, and income information of applicants and participants must be conducted, to the extent applicable, in compliance with the Privacy Act of 1974, and all other provisions of Federal, State, and local law.

Applicants and participants, including all adults in the household, are required to sign a consent form, HUD-9886, Authorization for Release of Information. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form may be used, and under what conditions HUD or ECC/HANH may release the information collected.

Upfront Income Verification (UIV) Records

PHAs (ECC/HANH) that access UIV data through HUD's Enterprise Income Verification (EIV) system are required to adopt and follow specific security procedures to ensure that all EIV data is protected in accordance with federal laws, regardless of the media on which the data is recorded (e.g. electronic, paper). These requirements are contained in the HUD-issued document, *Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification (UIV) Data*.

ECC/HANH Policy

Prior to utilizing HUD's EIV system, ECC/HANH has adopted and implemented EIV security procedures required by HUD.

Criminal Records

ECC/HANH may only disclose the criminal conviction records which ECC/HANH receives from a law enforcement agency to officers or employees of ECC/HANH, or to authorized representatives of ECC/HANH who have a job-related need to have access to the information [24 CFR 5.903(e)].

ECC/HANH must establish and implement a system of records management that ensures that any criminal record received by ECC/HANH from a law enforcement agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the ECC/HANH action without institution of a challenge or final disposition of any such litigation [24 CFR 5.903(g)].

ECC/HANH must establish and implement a system of records management that ensures that any sex offender registration information received by ECC/HANH from a State or local agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the ECC/HANH action without institution of a challenge or final disposition of any such litigation. However, a record of the screening, including the type of screening and the date performed must be retained [Notice PIH 2012-28]. This requirement does not apply to information that is public information, or is obtained by ECC/HANH other than under 24 CFR 5.905.

Medical/Disability Records

ECC/HANH not permitted to inquire about the nature or extent of a person's disability. ECC/HANH may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If ECC/HANH receives a verification document that provides such information, ECC/HANH should not place this information in the tenant file. ECC/HANH should destroy the document.

Domestic Violence, Dating Violence, Sexual Assault, or Stalking Records

For requirements and ECC/HANH policies related to management of documentation obtained from victims of domestic violence, dating violence, sexual assault, or stalking, see section 16-VII.E.

PART V: REPORTING REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL

16-V.A. REPORTING REQUIREMENTS [24 CFR 35.1130(e)]; PIH 2017-13 (HA); OHHLHC 2017-01; HUD Lead Safe Housing Rule; ECC/HANH Lead Safe Housing Policy and Procedure

ECC/HANH has certain responsibilities relative to children with environmental intervention blood lead levels that are living in public housing.

ECC/HANH must report the name and address of a child of less than 6 years of age, identified as having an environmental intervention blood lead level to the public health department within 5 business days of being so notified by any other medical health care professional. ECC/HANH must also report each known case of a child with an environmental intervention blood lead level to the HUD field office and HUD's Office of Lead Control.

ECC/HANH Policy

ECC/HANH will provide the public health department written notice of the name and address of any child of less than 6 years of age, identified as having an environmental intervention blood lead level.

ECC/HANH will provide written notice of each known case of a child with an environmental intervention blood level to the HUD field office and HUD's Office of Lead Control within 5 business days of receiving the information.

ECC/HANH will ensure that an environmental investigation of the child's unit and the common areas servicing the unit occurs within 15 calendar days, in accordance with Chapter 16 of the HUD Guidelines.

ECC/HANH will notify the HUD Field Office of the results of the environmental investigation and the lead hazard control work within 10 business days of receiving the results.

ECC/HANH must notify the family of the results of the environmental review **within 15 calendar days after receiving the results.**

ECC/HANH will direct that any lead-based hazards identified by the investigation are controlled **within 30 calendar days** by a certified lead-based paint abatement firm or certified lead renovation firm.

In a multi-unit development, ECC/HANH shall ensure that all residents are notified of the lead evaluation and hazard control activities.

ECC/HANH shall notify the HUD Field Office of the results of the lead hazard control work within **10 business days** of receiving the results.

After completion and clearance of the lead control work, ECC/HANH shall ensure through a preventative maintenance schedule that the unit and common areas are maintained as lead safe for continued occupancy.

Re-evaluations are required every 2 years by a certified lead risk assessor. Any findings must be attended to. The reevaluations shall be for: deteriorated paint surfaces unless they are known not to be lead-based paint, deteriorated or failed interim controls of lead-based paint hazards or encapsulation or enclosure treatments, dust-lead hazards, and soil-lead hazards in newly bare soil.

PART VI: VIOLENCE AGAINST WOMEN ACT (VAWA): NOTIFICATION, DOCUMENTATION, AND CONFIDENTIALITY

16-VI.A. OVERVIEW

The Violence against Women Reauthorization Act of 2013 (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault, and stalking who are applying for or receiving assistance under the public housing program. If your state or local laws provide greater protection for such victims, those apply in conjunction with VAWA.

In addition to definitions of key terms used in VAWA, this part contains general VAWA requirements and ECC/HANH policies in three areas: notification, documentation, and confidentiality. Specific VAWA requirements and ECC/HANH policies are located in Chapter 3, “Eligibility” (sections 3-I.C and 3-III.F); Chapter 5, “Occupancy Standards and Unit Offers” (section 5-II.D); Chapter 8, “Leasing and Inspections” (section 8-I.B); Chapter 12, “Transfer Policy” (sections 12-III.C, 12-III.F, and 12-IV.D); and Chapter 13, “Lease Terminations” (sections 13-III.F and 13-IV.D).

16-VI.B. DEFINITIONS [24 CFR 5.2003, FR Notice 8/6/13]

As used in VAWA:

- The term *affiliated individual* means, with respect to a person:
 - A spouse, parent, brother or sister, or child of that individual, or an individual to whom that person stands in the position or place of a parent; or
 - Any individual, tenant or lawful occupant living in the household of the victim of domestic violence, dating violence, sexual assault, or stalking.
- The term *bifurcate* means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members’ lease and occupancy rights are allowed to remain intact.
- The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
 - The length of the relationship
 - The type of relationship
 - The frequency of interaction between the persons involved in the relationship
- The term *domestic violence* includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person’s acts under the domestic or family violence laws of the jurisdiction.

- The term *sexual assault* means:
 - Any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks the capacity to consent
- The term *stalking* means:
 - To engage in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.

16-VLC. NOTIFICATION [24 CFR 5.2005(a)]

Notification to Public

ECC/HANH adopts the following policy to help ensure that all actual and potential beneficiaries of its public housing program are aware of their rights under VAWA.

ECC/HANH Policy

ECC/HANH will post the following information regarding VAWA in its offices and on its Web site. It will also make the information readily available to anyone who requests it.

A summary of the rights and protections provided by VAWA to public housing applicants and residents who are or have been victims of domestic violence, dating violence, or stalking (see sample notice in Exhibit 16-1)

The definitions of *domestic violence*, *dating violence*, *sexual assault*, and *stalking* provided in VAWA (included in Exhibit 16-1)

An explanation of the documentation that ECC/HANH may require from an individual who claims the protections provided by VAWA (included in Exhibit 16-1)

A copy of form HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

A statement of ECC/HANH's obligation to keep confidential any information that it receives from a victim unless (a) ECC/HANH has the victim's written permission to release the information, (b) it needs to use the information in an eviction proceeding, or (c) it is compelled by law to release the information (included in Exhibit 16-1)

The National Domestic Violence Hot Line: 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY) (included in Exhibit 16-1)

Contact information for local victim advocacy groups or service providers

Notification to Applicants and Tenants [24 CFR 5.2005(a)(1)]

ECC/HANH is required to inform public housing applicants and tenants of their rights under VAWA, including their right to confidentiality and the limits thereof, when they are denied assistance, when they are admitted to the program, and when they are notified of an eviction or termination of housing benefits.

ECC/HANH must distribute a notice of VAWA rights, along with the VAWA self-certification form (HUD-50066) at each of these three junctures.

ECC/HANH Policy

The VAWA information provided to applicants and tenants will consist of the notice of VAWA rights in Exhibit 16-1 and a copy of form HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, and Stalking.

ECC/HANH will provide all applicants with information about VAWA at the time they request an application for housing assistance. ECC/HANH will also include such information in all notices of denial of assistance (see section 3-III.F).

ECC/HANH will provide all tenants with information about VAWA at the time of admission (see section 8-I.B) and at annual reexamination. ECC/HANH will also include such information in all lease termination notices (see section 13-IV.D).

ECC/HANH is not limited to providing VAWA information at the times specified in the above policy. If ECC/HANH decides to provide VAWA information to a tenant following an incident of domestic violence, Notice PIH 2006-42 cautions against sending the information by mail, since the abuser may be monitoring the mail. The notice recommends that in such cases ECC/HANH make alternative delivery arrangements that will not put the victim at risk.

ECC/HANH Policy

Whenever ECC/HANH has reason to suspect that providing information about VAWA to a public housing tenant might place a victim of domestic violence at risk, it will attempt to deliver the information by hand directly to the victim.

16-VI.D. DOCUMENTATION [24 CFR 5.2007]

ECC/HANH presented with a claim for initial or continued assistance based on status as a victim of domestic violence, dating violence, sexual assault, or stalking, or criminal activity related to any of these forms of abuse may—but is not required to—request that the individual making the claim document the abuse. Any request for documentation must be in writing, and the individual must be allowed at least 14 business days after receipt of the request to submit the documentation. ECC/HANH may extend this time period at its discretion. [24 CFR 5.2007(a)]

The individual may satisfy the ECC/HANH's request by providing any one of the following three forms of documentation [24 CFR 5.2007(b)]:

- (1) A completed and signed HUD-approved certification form (HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), which must include the name of the perpetrator only if the name of the perpetrator is safe to provide and is known to the victim

- (2) A federal, state, tribal, territorial, or local police report or court record, or an administrative record
- (3) Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; a mental health professional; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

ECC/HANH may not require third-party documentation (forms 2 and 3) in addition to certification (form 1), except as specified below under "Conflicting Documentation," nor may it require certification in addition to third-party documentation [VAWA 2005 final rule].

ECC/HANH Policy

Any request for documentation of domestic violence, dating violence, sexual assault, or stalking will be in writing, will specify a deadline of 14 business days following receipt of the request, will describe the three forms of acceptable documentation, will provide explicit instructions on where and to whom the documentation must be submitted, and will state the consequences for failure to submit the documentation or request an extension in writing by the deadline.

ECC/HANH may, in its discretion, extend the deadline for 10 business days. Any extension granted by ECC/HANH will be in writing.

Conflicting Documentation [24 CFR 5.2007(e)]

In cases where ECC/HANH receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, ECC/HANH may determine which is the true victim by requiring each to provide acceptable third-party documentation, as described above (forms 2 and 3). ECC/HANH must honor any court orders issued to protect the victim or to address the distribution of property.

ECC/HANH Policy

If presented with conflicting certification documents (two or more forms HUD-50066) from members of the same household, ECC/HANH will attempt to determine which is the true victim by requiring each of them to provide third-party documentation in accordance with 24 CFR 5.2007(e) and by following any HUD guidance on how such determinations should be made.

Discretion to Require No Formal Documentation [24 CFR 5.2007(d)]

ECC/HANH has the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b).

ECC/HANH Policy

If ECC/HANH accepts an individual's statement or other corroborating evidence of domestic violence, dating violence, sexual assault, or stalking, ECC/HANH will document acceptance of the statement or evidence in the individual's file.

Failure to Provide Documentation [24 CFR 5.2007(c)]

In order to deny relief for protection under VAWA, ECC/HANH must provide the individual requesting relief with a written request for documentation of abuse. If the individual fails to provide the documentation within 14 business days from the date of receipt, or such longer time as ECC/HANH may allow, ECC/HANH may deny relief for protection under VAWA.

16-VLE. CONFIDENTIALITY [24 CFR 5.2007(b)(4)]

All information provided to ECC/HANH regarding domestic violence, dating violence, sexual assault, or stalking, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, must be retained in confidence. This means that ECC/HANH (1) may not enter the information into any shared database, (2) may not allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work, and (3) may not provide the information to any other entity or individual, except to the extent that the disclosure is (a) requested or consented to by the individual in writing, (b) required for use in an eviction proceeding, or (c) otherwise required by applicable law.

ECC/HANH Policy

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, ECC/HANH will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

EXHIBIT 16-1: NOTICE TO PUBLIC HOUSING APPLICANTS AND RESIDENTS REGARDING THE VIOLENCE AGAINST WOMEN ACT (VAWA)
--

This sample notice was adapted from a notice prepared by the National Housing Law Project.

A federal law that went into effect in 2013 protects individuals who are victims of domestic violence, dating violence, sexual assault, or stalking. The name of the law is the Violence against Women Act, or “VAWA.” The purpose of this law is to protect women, men and children. This notice explains your rights under VAWA.

Protections for Victims

If you are eligible for public housing, ECC/HANH cannot refuse to admit you to the public housing program on the basis that you are a victim of domestic violence, dating violence, sexual assault, or stalking.

If you are the victim of domestic violence, dating violence, sexual assault, or stalking ECC/HANH cannot evict you based on acts or threats of violence committed against you. Also, criminal acts directly related to the domestic violence, dating violence, sexual assault, or stalking that are caused by a member of your household or a guest can’t be the reason for evicting you if you were the victim of the abuse.

Reasons You Can Be Evicted

ECC/HANH can still evict you if ECC/HANH can show there is an *actual and imminent* (immediate) threat to other tenants or ECC/HANH staff if you are not evicted. Also, ECC/HANH can evict you for serious or repeated lease violations that are not related to the domestic violence, dating violence, sexual assault, or stalking against you. ECC/HANH cannot hold you to a more demanding set of rules than it applies to tenants who are not victims.

Removing the Abuser from the Household

ECC/HANH may split the lease to evict a tenant who has committed criminal acts of violence against family members or others, while allowing the victim and other household members to stay in the public housing unit. If ECC/HANH chooses to remove the abuser, it may not take away the remaining tenants’ rights to the unit or otherwise punish the remaining tenants. In removing the abuser from the household, ECC/HANH must follow federal, state, and local eviction procedures.

Proving That You Are a Victim of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

ECC/HANH can ask you to prove or “certify” that you are a victim of domestic violence, dating violence, sexual assault, or stalking. It must give you at least 14 business days (i.e., Saturdays, Sundays, and holidays do not count) to provide this proof. ECC/HANH is free to extend the deadline. There are three ways you can prove that you are a victim:

- Complete the certification form given to you by ECC/HANH. The form will ask for your name, the name of your abuser, the abuser’s relationship to you, the date, time, and location of the incident of violence, and a description of the violence. You are only required to provide the name of the abuser if it is safe to provide and you know their name.

- Provide a statement from a victim service provider, attorney, mental health professional, or medical professional who has helped you address incidents of domestic violence, dating violence, sexual assault, or stalking. The professional must state that he or she believes that the incidents of abuse are real. Both you and the professional must sign the statement, and both of you must state that you are signing “under penalty of perjury.”
- Provide a police or court record, such as a protective order, or an administrative record.

Additionally, at its discretion, ECC/HANH can accept a statement or other evidence provided by the applicant or tenant.

If you fail to provide one of these documents within the required time, ECC/HANH may evict you.

Confidentiality

ECC/HANH must keep confidential any information you provide about the violence against you, unless:

- You give written permission to ECC/HANH to release the information.
- ECC/HANH needs to use the information in an eviction proceeding, such as to evict your abuser.
- A law requires ECC/HANH to release the information.

If release of the information would put your safety at risk, you should inform ECC/HANH.

VAWA and Other Laws

VAWA does not limit ECC/HANH’S duty to honor court orders about access to or control of a public housing unit. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

VAWA does not replace any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking.

For Additional Information

If you have any questions regarding VAWA, please contact ECC/HANH’s Reasonable Accommodations Manager at 203-498-8800.

For help and advice on escaping an abusive relationship, call the National Domestic Violence Hotline at 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY).

Definitions

For purposes of determining whether a tenant may be covered by VAWA, the following list of definitions applies:

VAWA defines *domestic violence* to include felony or misdemeanor crimes of violence committed by any of the following:

- A current or former spouse or intimate partner of the victim
- A person with whom the victim shares a child in common

- A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner
- A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies
- Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction

VAWA defines *dating violence* as violence committed by a person (1) who is or has been in a social relationship of a romantic or intimate nature with the victim AND (2) where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

VAWA defines *sexual assault* as "any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent" (42 U.S.C. 13925(a)).

VAWA defines *stalking* as engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.

Definitions

For purposes of determining whether a public housing applicant or tenant may be covered by VAWA, the following list of definitions applies:

VAWA defines ***domestic violence*** to include felony or misdemeanor crimes of violence committed by any of the following:

- A current or former spouse or intimate partner of the victim
- A person with whom the victim shares a child in common
- A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner
- A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies
- Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction

VAWA defines ***dating violence*** as violence committed by a person (1) who is or has been in a social relationship of a romantic or intimate nature with the victim AND (2) where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

VAWA defines ***sexual assault*** as “any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.”

VAWA defines ***stalking*** as engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.