



# SHASTA COUNTY

## Housing Authority

1450 Court Street, Suite 308B  
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Supervisor Joe Chimenti, District 1  
Supervisor Leonard Moty, District 2  
Supervisor Mary Rickert, District 3  
Supervisor Steve Morgan, District 4  
Supervisor Les Baugh, District 5

## AGENDA

### REGULAR MEETING OF THE HOUSING AUTHORITY

**Tuesday, March 5, 2019**

**9:00 AM or as soon thereafter as may be heard**

The Shasta County Housing Authority welcomes you to its meetings which are scheduled for Tuesdays at 9:00 a.m. in the Board of Supervisors Chambers on the second floor of the Shasta County Administration Center, 1450 Court Street, Suite 263, Redding, California. Your interest is encouraged and appreciated.

The agenda is divided into two sections: **CONSENT CALENDAR**: These matters include routine financial and administrative actions and are usually approved by a single majority vote. **REGULAR CALENDAR**: These items include significant financial, policy, and administrative actions and are classified by program areas. The regular calendar also includes "Scheduled Hearings," which are noticed hearings and public hearings, and any items not on the consent calendar.

**TO ADDRESS THE BOARD**: Members of the public may directly address the Housing Authority on any agenda item on the regular calendar before or during the Board's consideration of the item. In addition, the Housing Authority provides the members of the public with a Public Comment-Open Time period, where the public may address the Board on any agenda item on the consent calendar before the Board's consideration of the items on the consent calendar and may address the Board on any matter not listed on the agenda that is within the subject matter jurisdiction of the Housing Authority. Pursuant to the Brown Act (Govt. Code section 54950, et seq.), **Board action or discussion cannot be taken** on non-agenda matters, but the Board may briefly respond to statements or questions and, if deemed necessary, refer the subject matter to the appropriate department for follow-up and/or to schedule the matter on a subsequent Board Agenda.

Persons wishing to address the Board are requested to fill out a Speaker Request Form and provide it to the Clerk before the meeting begins. Speaker request forms are available at the following locations: (1) online at [http://www.co.shasta.ca.us/BOS/docs/Request\\_to\\_talk.pdf](http://www.co.shasta.ca.us/BOS/docs/Request_to_talk.pdf), (2) from the Clerk of the Board on the third floor of 1450 Court Street, Suite 308B, Redding,

and (3) in the back of the Board of Supervisors Chambers. If you have documents to present for the members of the Housing Authority to review, please provide a minimum of ten copies. When addressing the Board, please approach the rostrum, and after receiving recognition from the Chairman, give your name and comments. Each speaker is allocated three minutes to speak. **Comments should be limited to matters within the subject matter jurisdiction of the Board.**

**The Shasta County Board of Supervisors does not receive any additional compensation or stipend for acting as the Shasta County Housing Authority.**

## **CALL TO ORDER**

### **PUBLIC COMMENT PERIOD - OPEN TIME**

During the Public Comment Open Time period, the public may address the Board on any agenda item on the consent calendar and may address the Board on any matter not listed on the agenda that is within the subject matter jurisdiction of the Housing Authority. Persons wishing to address the Board during Public Comment Open Time are requested to fill out a Speaker Request Form and, if you have documents to present to the Housing Authority, please provide a minimum of ten copies.

### **SCHEDULED HEARINGS**

#### **SDR 1     Housing Authority**

Take the following actions: (1) Conduct a public hearing; (2) close the public hearing; and (3) adopt a resolution which approves a revised Housing Choice Voucher Program Administrative Plan to amend policies and procedures in accordance with U.S. Department of Housing and Urban Development regulations.

A court challenge to action taken by the Housing Authority on any project or decision may be limited to only those issues raised during the public hearing or in written correspondence delivered to the Housing Authority during, or prior to, the scheduled public hearing.

## **ADJOURN**

**COMMUNICATIONS** received by the Housing Authority are on file and available for review in the Clerk of the Board's Office.

**The County of Shasta does not discriminate on the basis of disability in admission to, access to, or operation of its buildings, facilities, programs, services, or activities. The County does not discriminate on the basis of disability in its hiring or employment practices. Questions, complaints, or requests for additional information regarding the Americans with Disabilities Act (ADA) may be forwarded to the County's ADA Coordinator: Director of Support Services Angela Davis, County of Shasta, 1450 Court Street, Room 348, Redding, CA 96001-1676, Phone: (530) 225-5515, California Relay Service: (800) 735-2922, Fax: (530) 225-5345, E-mail: [adacoordinator@co.shasta.ca.us](mailto:adacoordinator@co.shasta.ca.us). Individuals with disabilities who need auxiliary aids and/or services for effective**

**communication in the County's programs and services are invited to make their needs and preferences known to the affected department or the ADA Coordinator. For aids or services needed for effective communication during Housing Authority meetings, please call Clerk of the Board (530) 225-5550 two business days before the meeting. This notice is available in accessible alternate formats from the affected department or the ADA Coordinator. Accommodations may include, but are not limited to, interpreters, assistive listening devices, accessible seating, or documentation in an alternate format.**

The Housing Authority meetings are viewable on Shasta County's website at [www.co.shasta.ca.us](http://www.co.shasta.ca.us). Public records which relate to any of the matters on this agenda (except Closed Session items), and which have been distributed to the members of the Board, are available for public inspection at the office of the Clerk of the Board of Supervisors, 1450 Court Street, Suite 308B, Redding, CA 96001-1673. This document and other Housing Authority documents are available online at [www.co.shasta.ca.us](http://www.co.shasta.ca.us).

REPORT TO SHASTA COUNTY HOUSING AUTHORITY

**BOARD MEETING DATE:** March 5, 2019

**CATEGORY:** SCHEDULED HEARING-1.

**SUBJECT:**

Housing Authority Administrative Plan Amendment.

**DEPARTMENT:** Housing Authority

**Supervisory District No. :** ALL

**DEPARTMENT CONTACT:** Laura Burch, Director of Housing/Community Action Programs (530) 225-5160

**STAFF REPORT APPROVED BY:** Laura Burch, Director of Housing/Community Action Programs

Vote Required?	General Fund Impact?
Simple Majority Vote Required	No Additional General Fund Impact

**RECOMMENDATION**

Take the following actions: (1) Conduct a public hearing; (2) close the public hearing; and (3) adopt a resolution which approves a revised Housing Choice Voucher Program Administrative Plan to amend policies and procedures in accordance with U.S. Department of Housing and Urban Development regulations.

**SUMMARY**

The U.S. Department of Housing and Urban Development (HUD) requires that each housing authority adopt a written administrative plan, which establishes local policies for the administration of the program. Periodic amendments are necessary to modify policies and procedures included in the Administrative Plan.

**DISCUSSION**

The Housing Choice Voucher program provides monthly rental assistance payments directly to landlords on behalf of 1,026 low-income tenants. Each tenant is responsible for payment of the difference between the actual rent charged by the landlord and the amount subsidized by the program. Participants find their own housing unit where the owner agrees to rent under the program. The Housing Authority's service area includes Modoc County; Siskiyou County; Trinity County; and all of Shasta County, excluding the City of Redding.

Local policies regarding management of the Housing Choice Voucher program are included in the Administrative Plan. The recommended amendments would modify the following sections: (1) obligations of the family; (2) waiting list preferences; (3) administering Project Based Vouchers; (4) administering

Manufactured Home Vouchers; and (5) administering Homeownership Vouchers. Each of these changes complies with HUD guidance.

The Housing Choice Voucher Program Administrative Plan was on the December 11, 2018 Board of Supervisors calendar. After receiving comments on the Administrative Plan from Legal Services of Northern California (LSNC) on December 11, 2018, the Shasta County Housing Authority removed the Administrative Plan from calendar and took the comments under review. The original comments from LSNC and the response, from the Shasta County Housing Authority, to LSNC are attached to this report.

The Housing Choice Voucher Administrative Plan was last amended and approved by the Board of Supervisors on June 27, 2017. A red line version of the changes are attached to this report. The recommended changes will be effective upon approval. The public notice is on file with the Clerk of the Board.

**ALTERNATIVES**

The Board could choose not to approve the revisions to the Administrative Plan as submitted, or the Board could direct specific changes. The Board could schedule a more detailed discussion at a future date.

**OTHER AGENCY INVOLVEMENT**

County Counsel has approved the resolution as to form. This recommendation has been reviewed by the County Administrative Office.

**FINANCING**

The funding agency for the Housing Choice Voucher rental assistance program is the U.S. Department of Housing and Urban Development. There is no additional General Fund impact with approval of the recommendation.

**ATTACHMENTS:**

Description	Upload Date	Description
Response to Legal Services of Northern California	2/21/2019	Response to Legal Services of Northern California
LSNC Comments on the SCHL Administrative Plan	2/21/2019	LSNC Comments on the SCHL Administrative Plan
Resolution	2/25/2019	Resolution
Administrative Plan - Clean	2/22/2019	Administrative Plan - Clean
Administrative Plan - Redline	2/26/2019	Administrative Plan - Redline



# Shasta County

## DEPARTMENT OF HOUSING AND COMMUNITY ACTION PROGRAMS

Shasta County Administration Center  
1450 Court Street, Suite 108  
Redding, CA 96001-1661  
Phone: (530) 225-5160 FAX: (530) 225-5178

**Laura Burch, Director**  
Housing Authority  
Community Action Agency

February 6, 2019

Shah'ada Shaban  
Rural Senior Project Coordinator  
Legal Services of Northern California  
1370 West St  
Redding, CA 96001  
[sshaban@lsnc.net](mailto:sshaban@lsnc.net)

*Via Email and First Class U.S. Mail*

**RE: Responses to Your Public Comments on Shasta County Housing Authority's Proposed Administrative Plan Amendments**

Dear Ms. Shaban,

On December 11, 2018, you submitted a letter to the Shasta County Housing Authority (SCHA or Authority) concerning the Housing Authority's proposed Administrative Plan amendments, which were initially scheduled to be considered by the Housing Authority at its regularly scheduled public meeting on December 11, 2018. Having received your letter, the Housing Authority decided to postpone its decision on whether to adopt the amendments to the Administrative Plan in order to consider your public comments regarding the proposed changes. The Administrative Plan, with the proposed amendments, is currently scheduled to go before the Housing Authority for hearing on March 5, 2019. This confirms that our office provided you with a copy of the proposed plan on January 18, 2019.

As further discussed in this letter, we have carefully reviewed and considered each item of your input and now wish to provide these responses, as follows. The numbers of each paragraph correspond to the numbered or labeled paragraphs in your letter, a copy of which is enclosed for ease of reference.

In response to the comments regarding Section XII- Project Based Voucher Program:

1. Section XII-(D)(1) has been amended to incorporate and/or disabled and not just elderly families.
2. We have considered your request for amending section XII-(D), but if we were to make your requested change, it would be in direct violation of Public and Indian Housing (PIH) Notice 2017-21 page 4, 3(a). PIH Notice 2017-21 states that terminating a client's participation for failing to successfully complete a Family Self-Sufficiency (FSS) contract conflicts with the current FSS requirements. Current FSS requirements do not allow termination from the housing assistance program for failure to complete the FSS contract.
3. In accordance with applicable HUD regulations, the following has been removed from the SCHA Administrative Plan Section XII-(E)(1)(h): "The level of affordable housing units within a jurisdiction the SCHA administers due to the lack of housing availability for the Housing Choice Voucher program will increase."

4. In order to clarify where Housing Quality Standard (HQS) policies can be found, the first sentence in Section XII-(N) includes an amendment to read "HQS inspections will be conducted in accordance with Section V-(D) of this plan."
5. Section XII-(H)(2) has been amended to clarify the proposed waiting list parameters with regard to the PBV Program to read, "The SCHA will provide a selection preference when required by the regulation. The SCHA will maintain a separate waiting list for Project Based Vouchers. Applicants on the PBV waiting list are subject to local preferences for the housing choice voucher program, set forth in Section II of this Plan."
6. In order to clarify that landlords/owners must follow the policies in the Housing Assistance Payment contract, Section XII-(J) includes a proposed amendment to address protections for victims of domestic violence, dating violence, sexual assault, or stalking. As amended, the section would state, "The owner must comply with 24 Code of Federal Regulations (CFR) part 5, subpart L (Protections for victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking)."
7. Section XII-(O) has been amended to read "In case of any conflict between the provision of the tenancy addendum as required by HUD, and any other provisions of the lease or any other agreement between the owner and the tenant, the requirements of the HUD-required tenancy addendum shall control."
8. We have considered your comment; that paragraph (O)(3) is inconsistent with HUD regulations with respect to allowable grounds for termination of a PBV tenancy. However, the terms of the lease are determined by HUD, including the parameters for termination of a PBV tenancy. Accordingly, the language in paragraph (O)(3) is based on the lease terms required by HUD. As it is in compliance with the HUD mandated Tenancy Addendum, the Shasta County Housing Authority does not propose to amend paragraph (O)(3).
9. A proposed amendment has been added to Section XXII-(I) concerning mobility impaired participants: "The SCHA has a mechanism for referring a family that includes a person with mobility impairments to accessible PBV units."

**In response to the comments regarding Section XI- Homeownership program:**

In your letter, you refer to the prospect of making one-time down payment assistance available under the Homeownership Program. Under current applicable HUD regulations, including 24 CFR 982.643, the Housing Authority is not authorized to provide one-time down payments assistance until HUD issues a notice stating one-time down payment assistance payments are allowed. As a result, at this time, we are not inclined to amend the introductory paragraph of Section XI-(A).

1. Section XI-(A)(2) has been amended to incorporate the full definition of a "first-time homeowner" and as amended, it reads, At commencement of homeownership assistance for the family, the family must be any of the following (1) A first time homeowner (defined in CFR 982.4); (2) A cooperative member (defined in CFR 982.4); or (3) A family of which a family member is a person with disabilities, and use of the homeownership option is needed as a reasonable accommodation so that the program is readily accessible to and useable by such person, in accordance with part 8 of CFR 982.627.
2. Section XI-(A)(4) has been amended to incorporate the definition of 24 CFR 982.627 "federal minimum income" for all families in accordance with the applicable HUD regulations as follows: "The family must meet the Federal minimum income requirement as defined by 24 CFR 982.627."
3. The proposed Plan will update the full-time employment definition to 30 hours per week instead of 32 hours.
4. Although your comment here requests explicit reference to a "mobile home as an eligible one-unit property," the applicable HUD regulations at issue do not include mobile homes as an option. Rather, 24 CFR 982.628

states, "The unit is either a one unit property (including manufactured home) or a single dwelling unit in a cooperative or condominium." Accordingly, the Shasta County Housing Authority declines your request to revise section XI-(B)(8) of the Plan to say "mobile home."

5. As section XI-(C) follows the discretion and authority afforded to the Authority under 24 CFR 982.629 and in our view, an amendment to this section is not necessary. That being said, the propose Plan includes an amendment to specify the deadline for both locating and purchasing a home.
6. Section XI(E)(2) includes the following proposed sentence at the end of the paragraph: "The independent inspector must provide a copy of the inspection report to both the family and the PHA."
7. At this time, we are not inclined to amend section XI-(H) to further define "mortgage payment costs" as this provision of the Plan complies with 24 CFR 982.632. We also note that section XI-(H) is set forth in an identical or similar manner to other Housing jurisdictions that are subject to the same HUD regulations.
8. A discussion of the amount of monthly homeownership assistance SCHA will provide, as allowed by the HUD regulations, section XI-(L),( M) and (N) have been added to the Administrative Plan to cover Amount of Monthly Homeownership Assistance, Portability and Moving with Continued Assistance.

**In response to the comments regarding Section X- Manufactured Homes Voucher Program:**

1. Section X- (A) is amended to mirror the definition of a manufactured home as set forth in 24 CFR 982.4.
2. Section X-(B)(3)(c) will not be amended as you have requested because the definition of a manufactured home space at issue complies with the current PIH Notice 2017-18, page 6, which sets for the governing provisions regarding calculating rent of the manufactured home space. If this section were amended as requested, it would conflict with PIH Notice 2017-18, page 6. PIH Notice 2017-18 changed the total rent of the manufactured home space and it now includes monthly payments made by the family to amortize the cost of purchasing the manufactured home including any required insurance and property tax.

**In response to the comments regarding Section III D- Denial of Assistance:**

We agree that with your comment regarding section III-(D) that the Plan's provisions regarding denials of assistance are in compliance with HUD regulations, including 24 CFR 982.554. Accordingly, we are not inclined to propose the requested amendments to the Plan. We further note that your comment asserts, without any specific examples or other corroborating information, that there have been prior instances in which the Housing Authority did not inform or afford applicants certain hearing rights. The Housing Authority adamantly denies any such allegations.

**In response to the comments regarding Section IV F and VI A1- Definition of Family:**

Section IV-(F) paragraph 4, the second sentence has been amended to read "At the discretion of the Housing Authority, it may be allowed for a biological or legal parent of a child in the family to be added."

**In response to the comments regarding Section VI A1- Family Size:**

Section VI A will not be amended, the Administrative Plan already has policies regarding children temporarily in Foster Care and adults who are temporarily out of the home.



In response to the comments regarding Section IV G:

Section IV-(G) has been revised to clarify and address opportunities to request informal hearings to challenge denials of reasonable accommodations and the revisions can be found on pages 19-21 of the Shasta County Housing Authority Administrative Plan.

In response to the comments regarding Section V B:

Section V-(B) follows the discretion and authority of the Shasta County Housing Authority for deciding the lease start dates. Therefore, Section V-(B) will not be amended.

In response to the comments regarding Section VI D1:

Section VI-(D)(1), paragraph 4, has been amended to read, "The Housing Authority may not approve a person as a live-in aide if the requested person is a family member of the current household. Relatives, who currently reside in the household, are not automatically excluded, provided however that such relatives must comply with all applicable regulations, laws, and HUD requirements. Further, the relatives must meet the requirements stated in 24 CFR 5.403.

In response to the comments regarding Section VII D3:

In response to your comment, section VII-(D)(3) paragraph 2 has been amended to exclude the reference to an owner from the provision concerning types of delays in the reexamination process that could results in a retroactive rent increase, and now reads, "However, if Shasta County Housing Authority determines that the family by their action or inaction, has delayed the reexamination process, Shasta County Housing Authority will, without notice, implement any increase in the family's TTP resulting from the reexamination, retroactively to the following effective date."

We trust these responses further clarify to our clients, landlords and the general public the local policies of the Shasta County Housing Authority. If you have any other questions or comments, please do not hesitate to contact Laura Burch at 530-225-5160.

Laura Burch  
Director



Enclosures

cc: Matthew McOmber  
Senior Deputy County Counsel

**LEGAL SERVICES**  
of  
**NORTHERN CALIFORNIA**

December 11, 2018

Shasta County Housing Authority  
Shasta County Board of Supervisors  
1450 Court St. #308B  
Redding, CA 96001

Hand Delivered

Re: Agenda Item SDC 1  
Public Comments on Shasta County Housing Authority's Administrative Plan

Honorable Members in Session:

Legal Services of Northern California (LSNC) provides legal assistance to low-income families in Shasta, Trinity, Modoc, and Siskiyou Counties as well as throughout the North State. We assist many families in need of affordable housing, including families participating in Shasta County Housing Authority's (SCHA) housing programs.

We respectfully submit the following comments in response to the request for public comment issued by SCHA regarding its proposed amendments to its Administrative Plan (Admin Plan). We offer the comments below in collaboration and in an effort to ensure SCHA programs best address the needs of low-income families in Shasta, Trinity, Modoc, and Siskiyou Counties. Our comment structure references the section and sub-sections of the Admin Plan as proposed with the amendments.

It is crucial that local SCHA rules, regulations, and policies comply with HUD rules and regulations. SCHA staff rely on the Admin Plan to guide individual interactions with program participants. If a particular SCHA rule contradicts HUD policy, it is likely SCHA staff will follow the SCHA rule instead of the federal rules. Further, the Admin Plan is the first source program participants review to understand their rights and therefore it must accurately reflect HUD rules and regulations.

As a preliminary matter, we are happy to see the development and implementation of three new programs: project-based vouchers, housing choice voucher availability for manufactured home

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A Legal Services Corporation Program



owners, and the homeownership program. These programs will have a significantly positive impact on low income tenants throughout the region that SCHA serves. However, these programs and other components of the Admin Plan require necessary changes to come into compliance with HUD mandatory rules and regulations.

## **Section XII – Project Based Voucher Program**

LSNC looks forward SCHAs implementation of its PBV program and offers the following comments and recommended edits necessary for SCHAs compliance with HUD regulations.

1. Paragraph D.1: Units excepted from SCHAs assistance in selected projects must include units that are exclusively for elderly and/or disabled families, and not just elderly families as currently proposed in the Admin Plan. (24 CFR 983.56(b)(2)(ii)(A)).
2. Paragraph D: In accordance with HUD regulations, the Admin Plan should be amended to clarify a family can only be terminated from the PBV program absent good cause for
  - 1) the family’s failure to complete the family self-sufficiency contract of participation or
  - 2) failure to complete the supportive services requirement as outlined in the PHAs administrative plan. (24 CFR 983.56(b)).
3. The PBV program must not explicitly or practically preclude proposals for project selection. Paragraph E.h must be deleted as it is not authorized according to HUD regulations. (24 CFR 983.57(b)(1)).
4. The Admin Plan should explicitly include language reflecting its compliance with the HUD requirement that all PBV sites comply with HQS site standards as found within HUD Regulations. (24 CFR 983.57(b)(3)).
5. HUD regulations require all PHA administrative plans clearly lay out its waiting list procedures and provide any local preferences it will use when selecting program participants.
  - a. As the current proposed amendments read, it is unclear if SCHA plans to maintain a waitlist for the PBV program separate from the HCV program waitlist. SCHA should clarify its proposed waiting list structure.
  - b. Paragraph H.2 contains contradictory statements regarding program preferences as it states applicants on the PBV waitlist are subject to HCV program preferences but also states the PBV waiting list has its own admission preferences. If the PBV program has separate or specific preferences, these must be clearly stated in the Admin Plan.
6. Paragraph J should include language stating that property owners must comply with VAWA protections afforded to PBV participants. (24 CFR 983.253(a)(4) and (c)).
7. Paragraph O should state that a HUD lease addendum carries more weight than an owner’s lease agreement. (24 CFR 983.256(d)(2)).



8. Paragraph O.3 is both unclear and inconsistent with HUD regulations. (24 CFR 983.256(f)(3) and 24 CFR 983.257). The Admin Plan currently says “if the owner refuses to renew the lease without good cause, the family will be issued a tenant-based voucher and unit will be removed from the HAP.” However, HUD regulations specifically state an owner can only terminate for good cause. Because an owner can only terminate a PBV tenancy for good cause, an owner cannot refuse to renew a participant’s lease and therefore it is unclear why the Admin Plan suggests otherwise. Further, a PBV lease must provide for automatic renewal after the initial term of the lease for either successive definite terms or for an indefinite extension of the lease term. (24 CFR 983.256(f)(2)).
9. The Admin Plan lacks language addressing how it plans to refer mobility impaired participants to an accessible PBV unit. As SCHA implements its PBV program, LSNC encourages SCHA to develop a plan that address how it will comply with HUD regulations that require a PHA to establish a “mechanism for referring to accessible PBV units a family that includes a person with mobility impairment.” (24 CFR 983.252(c)(2)).

## **Section XI – Homeownership Program**

As stated previously, LSNC is supportive of SCHA’s inclusion of the homeownership program. HUD’s homeownership program allows a PHA to provide either monthly homeownership assistance payments or one-time down payment assistance. As written, SCHA’s iteration of the program does not include the one-time down payment assistance. If SCHA intends to include down payment assistance under this program, we suggest clarifying the homeownership program’s scope in introduction of Section XI.

The following proposed amendments are not entirely consistent with HUD regulations and require changes and clarification.

1. A “first-time homeowner” should be defined in the Admin Plan. HUD regulations define a first-time homeowner as “[a] family of which no member owned any present ownership interest in a residence of any family member during the three years before commencement of homeownership assistance for the family. The term “first-time homeowner” includes a single parent or displaced homemaker (as those terms are defined in 12 USC 12713) who, while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse.” (24 CFR § 982.4).
2. The Admin Plan must include definitions of “federal minimum income” for all families eligible for program participation. While the Admin Plan provides the minimum income requirement for disabled families, it lacks a definition for all other families. (24 CFR 982.627(c)(ii) defining minimum income as federal minimum wage multiplied for 2,000 hours.)

3. SCHA cannot establish employment requirements in excess of the employment standards set by HUD. (24 CFR 982.627(d)(4)). The Admin Plan defines “full-time employment” as “not less than an average of 32 hours per week.” However, HUD regulations define full-time employment as 30 hours per week. (24 CFR 982.627(d)). Accordingly, the Admin Plan must be updated for compliance with HUD regulations.
4. In paragraph B.8, the Admin Plan currently states an eligible unit “must be a one-unit property or a single dwelling unit in a cooperative or condominium.” The Admin Plan should explicitly include a mobile home as an eligible one-unit property to ensure compliance with HUD regulations. (24 CFR 982.628(2)).
5. HUD regulations grant designation of separate time limits for homeownership program participants 1) locate a home to purchase and 2) actually purchase the home. (24 CFR 982.629(a)). We encourage SCHA to clarify paragraph C to allow the 180-days to locate the home itself, plus additional time of at least 60 days to complete the process of purchasing the home. Once an eligible family locates the home, the purchase may take additional time based on inspections, loan qualifications, escrow, etc.
6. HUD regulations require the independent professional inspector who completes the inspection of the home to provide a copy of the inspection report to both the participating PHA and the participating family. (24 CFR 982.631 (b)(4)). Paragraph E.2 would benefit from the addition of this language so as to ensure participating families understand this requirement.
7. All financing and affordability requirements must be fully described in SCHA’s Admin Plan. (24 CFR 982.632(e)). LSNC encourages SCHA clarify the financing requirements in paragraph H. It is especially important that SCHA define the phrase “[a]ll mortgage payment costs” in H.4.
8. SCHA’s Admin Plan should incorporate a discussion of the amount of monthly homeownership assistance SCHA will provide in accordance with HUD regulations. (24 CFR 982.635). It should also clearly advise participants they have the right to move from the home purchased under the homeownership assistance program and into a new unit with continued tenant-based assistance or with voucher homeownership assistance in accordance with the respective program regulations. (24 CFR 982.637). Lastly, the Admin Plan must include a section addressing SCHA’s denial or termination policies for this program in accordance with HUD regulations. (24 CFR 982.638).

#### **Section X.D – Mobile Home Program**

As expressed above, LSNC offers its support to the inclusion of mobile home owners into SCHA’s HCV program as we serve many low-income mobile home owners residing in mobile home parks, and believe this resource will be invaluable to many low income mobile home owners.



However, SCHAs draft mobile home program requires several changes to bring it into compliance with HUD rules and regulations. The Admin Plan adds impermissible language to its definition of a manufactured home when it states “a manufactured home is a manufactured structure, *transportable in one or more parts* ...” Emphasis added. HUD defines a manufactured home as “[a] manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS.” (24 CFR § 982.4). SCHAs definitions must mirror HUD regulations.

The definitions continue and define a manufactured home space as “[a] space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space.” (*Id.*) The SCHAs amendment Section X B.3.c does not comply with HUD regulations. HUD regulations calculate the space rent as the sum of the rent to the space owner for the manufactured home space, the owner maintenance and management charges for the space, and the PHA calculated utility allowance for tenant-paid utilities. (24 CFR § 982.623). HUD regulations do not allow rent to include “[t]he monthly payments made by the family to amortize the cost of purchasing the manufactured home ...” as currently written in the Admin Plan and thus should be removed from the amendment language.

### **Section III.D – Denials of Assistance**

As required by HUD, SCHAs Admin Plan states “[a] family that applies to the program and is denied assistance has a right to an informal review of that decision.” While this section’s policy as written is in text compliance with HUD regulations, in the course of our organization’s assistance to denied SCHAs applicants we find SCHAs does not actually inform applicants of their right, nor actually give the right, to have an informal in-person review to present “oral objections” to SCHAs regarding its decision. (24 C.F.R. 982.554(a) and (b)). SCHAs must offer in-person informal reviews to denied applicants and should alter its Admin Plan to more clearly reflect SCHAs adherence to HUD regulations, and add language to denial notices informing applicants of this right.

### **Section IV.F and Section VI.A.1 – Definition of Family**

SCHAs notes discretion to add a biological parent of a child in the family to be added to the Admin Plan once it issues the HCV. LSNs encourages SCHAs to replace “biological” with “legal” to appropriately reflect the diversity of familial composition.

### **Section VI.A.1 – Family Size**

Within SCHAs jurisdiction, as in many other low-income or rural communities, many low-income households find themselves unexpectedly caring for extended family member’s minor

children. Many of these arrangements are short-term and do not alter the composition of the assisted household. But for those assisted households where a temporary arrangement becomes longer-term, SCHA should establish flexibility in its change in family size policy, especially because the processes required while establishing a formal arrangement, custody, guardianship, etc. is time-consuming and arduous.

#### **Section IV.G – Reasonable Accommodations**

SCHA must provide participants the opportunity to grieve SCHA's denial of a reasonable accommodation in accordance with 29 U.S.C. 794. Section 504 requires recipients of federal financial assistance develop grievance procedures for program participants. Providing program participants the opportunity to request an informal hearing to challenge denials of reasonable accommodations would bring SCHA into compliance with federal law.

#### **Section V.B – First HAP Payment**

SCHA's Admin Plan states the "beginning date of the [HAP] Contract and Lease will be the first day of the month on or after the unit passes inspection and the tenant has taken possession of the unit." This policy hurts program participants, especially those who may be homeless or at risk of homelessness and require immediate housing. SCHA's strict adherence to its policy places an unnecessary burden on families in desperate need of housing because it requires families who are homeless or in need of immediate housing to wait until the following month to receive housing assistance. LSNC encourages SCHA incorporate flexibility into its policy and allow an approved family execute a Contract and Lease once their unit passes inspection and they have taken possession, without regard to what day of the month it is.

#### **Section VI.D.1 – Live-in Aides**

SCHA's Admin Plan is inconsistent with HUD regulations and requirements for live-in aides. (24 CFR § 5.403). As written, SCHA's Admin Plan states SCHA "will not approve a person as a live-in aide if the requested person is a family member of the current household." However, there is no support for this restriction in HUD regulations. (24 CFR 982.316).

Because the purpose of a live-in aide is to provide necessary supportive services for an elderly, near-elderly, or disabled family member, restricting these caregivers to non-family members restricts the accessibility of such an important accommodation, and discriminates against recipients based on their familial status. This requirement should be removed from the Admin Plan.

### **Section VII.D.3 – Rent Increases**

Per the Admin Plan, SCHA “will give the family at least 30 days advanced written notice of any future increase in the family’s share of rent ... [unless] SCHA determines that the family or the owner, by their action or inaction, has delayed the reexamination process ... SCHA will, without advance notice, implement any increase in the family’s TTP resulting from the reexamination, retroactively to the following effective date:

1. Annual reexamination ... [and]
2. Interim reexamination ...”

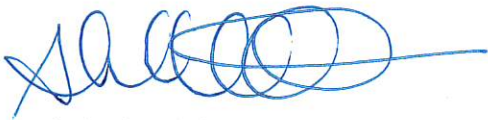
This policy potentially penalizes program participants for owner delays, action, or inaction. A family cannot manage or control an owner’s delay, and cannot be penalized for another’s actions far outside of their control. SCHA’s policy must be rewritten and allow for an increase to a family’s TTP retroactively only if the tenant caused the delay.

### **Conclusion**

Thank you for considering our comments. Our office looks forward to a continued collaborative and communicative effort to serve residents of Shasta, Trinity, Siskiyou, and Modoc Counties alongside Shasta County Housing Authority. Should you have any questions, please contact us directly at 530-646-4082 or via email at [sshaban@lsnc.net](mailto:sshaban@lsnc.net).

Sincerely,

LEGAL SERVICES OF NORTHERN CALIFORNIA



Shah'ada Shaban  
Rural Senior Project Coordinator

Cc: Christy Coleman, Housing Program Supervisor  
[ccoleman@co.shasta.ca.us](mailto:ccoleman@co.shasta.ca.us)





**HOUSING AUTHORITY RESOLUTION NO. 2019 - \_\_\_\_\_**

**A RESOLUTION OF THE HOUSING AUTHORITY  
OF THE COUNTY OF SHASTA  
ADOPTING REVISIONS TO THE HOUSING CHOICE VOUCHER PROGRAM  
ADMINISTRATIVE PLAN**

**WHEREAS**, the Housing Authority of the County of Shasta administers the Housing Choice Voucher Program in accordance with regulations and guidelines set forth by the U.S. Department of Housing and Urban Development (“HUD”); and

**WHEREAS**, the Housing Authority of the County of Shasta must adopt a Housing Choice Voucher Program Administrative Plan (“Administrative Plan”) that establishes local policies and procedures for implementing the Housing Choice Voucher Program; and

**WHEREAS**, the Housing Authority approved and adopted the Administrative Plan on, June 27, 2017 which it now wishes to amend and modify in order to establish necessary policies and procedures, including but not limited to local discretionary policies such as changes in the obligations of the family, waiting list preferences, administering Project Based Vouchers, Manufactured Home Vouchers and Homeownership Vouchers; and

**WHEREAS**, the Administrative Plan must comply with applicable HUD regulations set forth in Title 24 of the Code of Federal Regulations, part 982, section 982.54, and parts 903 and 983; and

**WHEREAS**, HUD requires the Housing Authority of the County of Shasta to adopt an Administrative Plan for continued receipt of federal funds.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Authority of the County of Shasta hereby approves and adopts the Housing Choice Voucher Program Administrative Plan as amended on March 5, 2019, and which is attached hereto as Exhibit A.

**DULY PASSED AND ADOPTED** this 5th day of March, 2019 by the Housing Authority of the County of Shasta by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:  
RECUSE:

\_\_\_\_\_  
LEONARD MOTY, CHAIRMAN  
Housing Authority  
County of Shasta  
State of California

ATTEST:

LAWRENCE G. LEES  
Clerk of the Board of Supervisors

By: \_\_\_\_\_  
Deputy

# Housing Choice Voucher Program

## Administrative Plan

March 26, 2013

Revised August 6, 2013  
Revised December 3, 2013  
Revised March 24, 2015  
Revised November 3, 2015  
Revised July 26, 2016  
Revised June 27, 2017  
Revised March 5, 2019

Shasta County Housing Authority  
1450 Court Street, Suite 108  
Redding CA 96001

SHASTA COUNTY HOUSING AUTHORITY  
ADMINISTRATIVE PLAN

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## SECTION I.

### STATEMENT OF OVERALL APPROACH AND OBJECTIVES IN ADMINISTERING SECTION 8 HOUSING CHOICE VOUCHER (HCV) PROGRAM

#### A. Establishment of Housing Authority

On May 3, 1971, the Board of Supervisors of the County of Shasta enacted a resolution, which formed the Shasta County Housing Authority (hereinafter referred to as the Housing Authority.) Recognizing the need to assist low-income families to enjoy decent, safe and sanitary housing, the Board named itself Commissioners of the Housing Authority. Subsequent meetings of this body established policies and procedures for operating a Public Housing Authority in accordance with the regulations set forth by the U.S. Department of Housing and Urban Development (hereafter referred to as HUD.)

In October 1975, the Housing Authority was notified that an application for Section 8 Existing Housing had been approved and a County Department was formed to administer the program. Since that time the Housing Authority has assisted many low and moderate-income families, disabled persons and elderly citizens. In addition, excellent working relationships have been established with landlords, realtors and other community service oriented organizations. Housing Authority goals are to assist eligible families to obtain and maintain decent and affordable housing, to enhance their standard of living, to help them become self-sufficient, and assist the local economy.

#### B. Purpose of the Administrative Plan

HUD requires that each Housing Authority have a document known as the Administrative Plan, which describes stances on various policy issues as well as descriptions of specific programs. The Administrative Plan is the guiding document for implementing the Section 8 Housing Choice Voucher (HCV) program. HUD regulations and directives will control in the event that any statement or policy within this Administrative Plan contradicts HUD rules and regulations.

The Housing Authority Board of Commissioners will review and approve any significant deviation or amendment to this Administrative Plan. If a change is not a significant deviation or amendment to the Administrative Plan, the Director of the Housing Authority will review and approve the change.

Definition of Substantial Deviation from the Administrative Plan:

Any change, which fundamentally and significantly alters the mission, goals or objectives of the agency as, stated in the Administrative Plan.

Definition of Significant Amendment or Modification to the Administrative Plan:

Any change which fundamentally and significantly alters the approach to managing programs and providing services that benefit the recipients of the HCV program. This includes the implementation of any new program not identified in the Housing Authority Plan or the elimination of any program currently being administered.

Note: An exception to this definition will be made for any of the above that are adopted to reflect changes in HUD regulatory requirements or Housing Authority program/budgetary limits; such changes will not be considered a substantial deviation or significant amendment. In addition, any discretionary policies, procedures or administrative decisions, which do not negatively affect the majority of the recipients of the program, will not be considered significant amendments or

modifications to the Administrative Plan.

C. Programs

The Shasta County Housing Authority administrative plan is applicable to the operation of the Housing Choice Voucher program. Policies in the administrative plan are applicable to families who participate in the Housing Choice Voucher (HCV) Program, Veterans Assisted Supportive Housing (VASH) Program, Family Unification Program (FUP), Family Self-Sufficiency (FSS) Program, Mainstream Voucher Program, Manufactured Homes Program, Homeownership Program and the Project-Based Voucher (PBV) Program.

D. Jurisdiction

The Shasta County Housing Authority jurisdiction for administering the Housing Choice Voucher program includes: the unincorporated areas within Shasta County, the cities of Anderson and Shasta Lake in Shasta County and the counties of Modoc, Siskiyou, and Trinity.



## SECTION II.

## RECEIPT OF APPLICATIONS AND ESTABLISHMENT OF A WAIT LIST

A. Public Notice to Very Low Income Families

The Housing Authority shall make known to the public, through publication in a newspaper of general circulation, as well as through minority media and other suitable means, the availability and nature of housing assistance for very low income families, including assistance with respect to units already occupied by the family if the units qualify as existing housing. The notice will indicate when the wait list will open/close, where to apply, how to apply as well as give other pertinent information needed to ensure all persons interested in applying may do so.

A family initially determined to be eligible will be placed on the wait list or in an applicant lottery pool, as indicated in the notice. (Because of limited HCV assistance, not all families in an applicant lottery pool may be selected for placement on the waiting list. The Housing Authority will indicate how many applicants from the applicant lottery pool will be placed on the waitlist list in its notice.)

B. Receipt of Applications

When the Housing Authority opens the wait list, applications will be accepted from families for whom the list is open unless there is good cause for not accepting the application. Where the family is determined to be ineligible, the Housing Authority will notify the family in writing. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review and explain the process for doing so. Applications must be submitted as indicated in the public notice. Only one application per applicant/social security number will be accepted; duplicate applications will not be accepted. No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list.

The Housing Authority will require families to provide the information on the wait list application that is needed to make an initial assessment of the family's eligibility for assistance and its self-certified preference category designation. Depending on its self-certified preference category designation, a family initially determined to be eligible will be placed on the wait list or in an applicant lottery pool, as specified in the notice. The family will not be required to provide all of the information necessary to establish family eligibility and level of assistance until the family is selected from the waiting list.

Regardless of whether or not the wait list is open, families in the following three categories shall be eligible for placement on the wait list at all times:

1. Families who have been involuntarily displaced (within no more than six months from the date of preference verification) by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster occurring within Shasta County Housing Authority jurisdiction, as declared by the Governor of the State of California or due to extensive damage as a result of a federally-declared disaster (as listed with the Federal Emergency Management Agency (FEMA)), pursuant to Federal disaster relief laws.
2. Families determined to be eligible for the Family Unification Program (FUP) (Attachment A.)

3. Families referred by the Shasta County Community Action Agency HOME Tenant Based Rental Assistance (TBRA) program, up to the limitation of referrals as indicated in this document.

C. Establishment of a Wait List

Only complete applications submitted by persons age 18 and older or emancipated minors, at the time the application is submitted, will be accepted. Applications will not be accepted unless completed sufficiently so that correct placement on the wait list can be determined. Applications submitted without sufficient information for placement on the wait list, applications submitted by minors and applications that do not contain the social security number of the applicant will be sent a letter of denial. The denial letter will include direction for submitting a request for an informal review. In cases where two wait lists overlap, applications on the pre-existing wait list will be processed before applications from the new wait list.

Placement in the applicant lottery pool, if any, or on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the waiting list.

D. Special Admissions and Wait List Admissions

Special Admissions: A Special Admission is an admission of an applicant not on the Housing Authority wait list or admission without considering the family's position on the wait list when HUD awards funding that is targeted for certain families.

FUP: Family Unification Program. (See Attachment A.) Since the Family Unification Program is a special admission for assistance, placement onto the wait list will only occur if an FUP slot is not immediately available for the family. In this case, the family will be placed on the wait list until a slot becomes available. (See Attachment A.) (Applicable to Shasta County residents only.)

VASH: Veterans Affairs Supportive Housing. (See Attachment H.) Since the VASH program is allocated for a specific number of slots, those slots will be filled until the number has been exhausted. No wait list will be maintained for the VASH program.

Wait List Admissions: Priority in the selection of families from the wait list for the issuance of Vouchers will be determined based on the family's preference designation, as follows:

2. Due to funding constraints, it may become necessary to terminate participant families from the Shasta County HCV program. (See Section VI, F.) In this event, the families terminated from the program by Shasta County Housing Authority will have their name added to the HCV wait list, with priority, according to their original wait list application date. (50 points)
3. Families referred by Shasta County Community Action Agency who are currently assisted by the HOME TBRA Program who will exhaust HOME TBRA program assistance and who reside or work within the Housing Authority jurisdiction and are either 1) families with dependents, or 2) families whose head, co-head or spouse is elderly, or 3) families whose head, co-head or spouse is disabled. The Housing Authority

limits the number of families that are admitted using this preference to 40 families per calendar year. (50 points)

4. Families who have been involuntarily displaced (within no more than six months from the date of preference verification) by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster occurring within Shasta County Housing Authority jurisdiction, as declared by the Governor of the State of California or due to extensive damage as a result of a federally-declared disaster (as listed with the Federal Emergency Management Agency (FEMA)), pursuant to Federal disaster relief laws. (50 points)
5. Families who are disabled non-elderly, between the ages of 18-61, and who are transitioning out of institutional or other segregated settings, at serious risk of institutionalization, homeless, or at risk of becoming homeless. (45 points)
6. Families with dependents and families whose head, co-head or spouse is elderly and/or disabled who reside or work within the Housing Authority jurisdiction. (40 points)
7. Families with dependents and families whose head, co-head or spouse is elderly and/or disabled who do not reside or work within the Housing Authority jurisdiction (30 points)
8. Other applicants not described above, who reside or work within the Housing Authority jurisdiction. (20 points)
9. Other applicants not described above who do not reside or work within the Housing Authority jurisdiction. (10 points)

E. Preference Verifications

1. Preference designation as listed above for each application will be assigned at the time the application is received. Changes to the preference designation of an application while on the wait list can be made in the event that the applicant submits written information regarding changes to the application.
2. Verification of all preferences will be required at the time that eligibility for assistance is determined (when the applicant name comes to the top of the wait list). If the applicant no longer qualifies for the assigned preference previously indicated on the application or application update form, but is apparently eligible for the program otherwise, the application may be returned to the wait list without the benefit of the preference.
3. For the purpose of determining a preference for families who reside in the Housing Authority's jurisdiction, residency is based on where the family lives or stays the majority of the time immediately prior to being issued a letter initiating eligibility determination with the exception noted in item 5, below. Evidence of residency will be determined by the Housing Authority based on verifications such as rent receipts, utility statements, wage information, school records and assistance benefit issuances by other agencies.
4. If an applicant indicates they are homeless, the applicant family must provide verification of their homelessness status. Verification of homelessness can be obtained from a public or private agency providing shelter to the family, a public or private agency or business

who can verify the family's living situation or from local police or a social service agency.

5. Families who indicate they have been displaced by government action or whose dwelling has been extensively damaged or destroyed (within no more than six months from the date of preference verification) as a result of a disaster must provide proof of residency in the affected jurisdiction during the time of the disaster, as well as written verification by the displacing unit or government agency, FEMA or a service agency such as the Red Cross.

Note: The use of a preference will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant family.

F. Denial of Preference

When the Housing Authority determines that a family does not qualify for a requested preference, the family has the right to meet with a Housing Authority representative to review the decision. The family may request the meeting verbally or in writing. Any person designated by the Housing Authority may conduct this meeting. The family has no further right for appeal beyond this process.

G. Removal from Wait List / Denial of Wait List Application

Following are reasons families may be removed from the wait list or have their wait list application denied. In the event that a family's application is removed from the wait list, the family must reapply in order to be placed on the wait list again. (See Section III, C. for information on the denial of assistance at time of application.)

1. The Housing Authority has sent an inquiry letter to the family in an effort to update the wait list and has notified the family of their responsibility to respond to the letter by a particular date and the family has failed to do so. (The Housing Authority will periodically update/purge its wait list to ensure that the pool of applicants reasonably represents the interested families for whom the Housing Authority has current information, i.e. applicant's address, family composition, income, preferences.)
2. If the Housing Authority sends notification of the Housing Authority's intention to determine the family's eligibility for the program and has notified the family of their responsibility to respond by a particular date and the family has failed to do so.
3. If the family is notified of their denial of eligibility and the right to an informal review but does not request an informal review by the date indicated on the notification, or if after an informal review, the family is determined to be ineligible. (See III. D.)
4. Failure of the family to supply required information or otherwise comply with the eligibility process or accept assistance under the program at the time eligibility is offered.
5. If a family requests, in writing, to have their name taken off the wait list.
6. If a family submits a wait list application but it is determined that they are not income-eligible for assistance.

7. If any letter is returned by the post office with or without a forwarding address, the applicant will be removed from the wait list.

Note: It is the responsibility of the Housing Authority to move forward with determination of eligibility at the time that an applicant reaches the top of the wait list and a voucher is available. Applicants are responsible for updating contact information by reporting in writing any changes in the family's mailing address.

However, in the event that a family does not respond as required, or if the letter is returned by the post office as undeliverable, the applicant may request that the original application be returned to the wait list, as opposed to submitting a new application. Reinstating an application may only occur if the applicant requests reinstatement in writing within 60 days from the date of the letter and it is a reasonable accommodation for a person with a disability or if the Housing Authority determines that there were circumstances beyond the applicant's control which prevented the applicant from promptly replying.

The decision to reinstate the original application or require the applicant to submit a new application is at the sole discretion of the Housing Authority. Reinstatement of an original application for this reason will only be granted one time. Thereafter, a new application for assistance must be completed. The Housing Authority cannot guarantee the availability of a voucher in the future.

### SECTION III.

#### SELECTION AND ADMISSION OF FAMILIES

##### A. Selection of Families from the Wait list

1. When funds are available, eligibility letters will be sent to families by order of placement on the wait list. Eligibility letters will inform the family that they must contact the Housing Authority within a specific timeframe in order to start the eligibility process.
2. Eligibility for initial assistance will be based on the household members listed on the initial questionnaire form submitted to the Housing Authority during the eligibility process. Additional household members may not be added to the certification/recertification form while the eligibility process for a Voucher is in process, unless the person to be added is the result of a birth, adoption, foster care placement, marriage or as a reasonable accommodation for a disabled household member.. At the discretion of the Housing Authority, it may be allowed for a biological parent of a child in the family to be added during the eligibility process.
3. To be income eligible, the applicant must be a family in any of the following categories:
  - a. An 'extremely low income' family
  - b. A 'very low income' family
  - c. A 'low income' family that is 'continuously assisted' under the 1937 Housing Act;
  - d. A 'low-income' family that meets additional eligibility criteria specified by the Housing Authority.
4. If a family is determined to be eligible for the program, they will be scheduled for a briefing, at which time a Voucher will be issued. The Housing Authority must provide a Voucher within 60 days of the date the Housing Authority receives information needed to verify the eligibility of a family.
5. If a family is determined to be ineligible, they will be sent a letter stating such and will be informed of their right to an informal review of the denial.
6. If a family is determined eligible for a residency preference (See Section II, D., 2 and 4) based solely on the fact that they 'work' within the Housing Authority jurisdiction and the family is granted a Voucher for participation, the family must enter into an assisted lease within the Housing Authority jurisdiction for at least one year before they are eligible to move to another Housing Authority. If a family is determined eligible for a federally declared disaster preference, but does not reside or work in the Housing Authority's jurisdiction at time of eligibility determination, the family must enter into an assisted lease within the Housing Authority jurisdiction for at least one year before they are eligible to move to another Housing Authority. If a family is determined eligible, receives a voucher and does not live or work in the Housing Authority jurisdiction the family must enter into an assistance lease within the Housing Authority jurisdiction for at least one year before the family is eligible to move to another Housing Authority.

B. Family Unification Program

The Housing Authority will operate a Family Unification Program (FUP) in coordination with the Department of Social Services. The Family Unification Program provides Vouchers to families who have been or may be separated due to lack of adequate housing. Family Unification Program families must be referred by the Department of Social Services.

The Family Unification Program baseline effective June 14, 2012 is six (6) units. The Vouchers will, to the extent practicable, be reissued to FUP-eligible families upon turnover. Once the baseline is reached, Housing Authority obligation will be met. However, additional Vouchers may be issued to eligible families, at the discretion of the Housing Authority, based on available funding. The Family Unification Program Action Plan is included as Attachment A.

C. Denial of Assistance

HUD regulations specify grounds for the mandatory denial of assistance, such as prohibiting admission to the Housing Authority's HCV program if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program and prohibiting admission to the Housing Authority's HCV program if any household member has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing.

(Note: The Housing Authority has access to a national database covering sex offender registries in all states and will use this method in verifying sex offender registrants. If the information is not available in the national database but the Housing Authority has reason to believe a person to be a registrant, contact with law enforcement authorities will be made.)

Additional grounds for denial of assistance include the following:

1. No applicant will be admitted to the HCV program if they owe monies to any Housing Authority unless repayment is made in full. Repayment must be made in full within 30 days of notice to the applicant or the application will be denied.
2. No applicant will be admitted if it is determined by the Housing Authority that the applicant is reporting fraudulent information or providing fraudulent verifications to the Housing Authority during the eligibility process. The act of reporting information or providing verifications to the Housing Authority which contradicts information or verifications provided to other agencies or institutions is considered fraudulent in nature and is reason for denial.
3. The applicant will be provided three opportunities to attend an initial program briefing. If the applicant does not attend any of the three scheduled briefings, they will be denied assistance and will have to reapply to the wait list.
4. If a family had been terminated from the HCV program in the past for a violation of a provision of the 'Family Obligations' form (see Attachment B.), any subsequent applications for assistance by any adult family member who had signed the Family Obligations form will be denied for a period of three years from the date of the termination of participation.

5. Any violation of the Criminal Activity Policy (See Attachment D.) However, the Housing Authority may reconsider eligibility if the family agrees to remove the culpable member who participated in or were culpable for an action which resulted in the denial of assistance from the application. As a condition of receiving assistance, the head of household must certify that the family member will not be permitted to live, visit or stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon request. If a violation of the Criminal Activity Policy is found, the family will have the opportunity to dispute the accuracy and relevance of the criminal record before assistance in the Section 8 Rental Assistance program is denied.

D. Informal Review

A family that applies to the program and is denied assistance has a right to an informal review of that decision. The family must request the informal review, in writing, and the Housing Authority must receive it within ten calendar days of the date of the denial letter. The review may be conducted by any person designated by the Housing Authority, with the exception of the person who made the decision or a subordinate of that person.

The family may present written or oral objections to the decision. Following the informal review, the Housing Authority will notify the family in writing of the Housing Authority decision and the reason for that decision.

A review will not be offered if the family's objection is that they cannot apply because the wait list is closed.



## SECTION IV.

## ISSUANCE OF VOUCHERS FOR ELIGIBILITY

A. Term of Voucher

Each Voucher issued will be valid for a period of sixty days. A Request for Tenancy Approval form must be submitted, fully completed and signed, no later than the expiration date of the Voucher. If the expiration date falls on a weekend or holiday, the Request for Tenancy Approval form will be accepted no later than 4 p.m. on the following working day. Incomplete or unsigned Request for Lease Approval forms will not be accepted. If the appropriate lease documents are not submitted by the family by the expiration date of the Voucher, the Voucher will expire. If the family who's Voucher has expired still wishes to participate in the HCV program, the family would have to reapply to the wait list when applications are being accepted.

Under special circumstances, the Housing Authority may authorize one additional 30-day extension. Requests for an extension must be made in writing and be submitted to the Housing Authority office, before the Voucher expires and will be granted at the Housing Authority's sole discretion. The following circumstances will be taken into consideration when evaluating an extension request: medical conditions of household members, efforts made by the household during the initial term of the voucher in finding a unit, and current funding utilization level.

The Housing Authority will brief each family in accordance with the Housing Authority Equal Opportunity Plan. The Housing Authority will also brief the family on the applicable standards, determination of the Housing Assistance Payment, and the minimum and maximum rent the family may pay. Each family shall be advised that it may select a unit within this operating jurisdiction. Families will also be advised of the HUD regulations regarding portability. The family will be given a housing Voucher packet along with a Voucher and the lease documents for initiating the leasing process.

B. Suspension of Outstanding Vouchers

In the event that it becomes necessary to suspend outstanding Vouchers due to limited program funding, the order of suspending Vouchers will occur as follows:

1. Vouchers issued to applicants who have not yet submitted a Request for Tenancy Approval to the Housing Authority office.
2. Vouchers issued to applicants who have submitted a Request for Tenancy Approval to the Housing Authority office but have not yet had the final lease up documents initiated between the Housing Authority and the landlord.
3. Vouchers issued to participants who have not yet submitted a Request for Tenancy Approval to the Housing Authority office.
4. Vouchers issued to participants who have submitted a Request for Tenancy Approval to the Housing Authority office but have not yet had the final lease up documents initiated between the Housing Authority and the landlord.

Those families whose Vouchers are suspended for this reason will be placed on the HCV wait list in the order of original application date, behind those families, if any, that have had their HAP

contracts terminated under Section VI, F.

C. Responsibility of Voucher Holder to Find a Unit

Each family shall be responsible for finding a unit suitable to their needs and desires in any area within the jurisdiction of the Shasta County Housing Authority, or the family may utilize portability, if eligible. The family may select the dwelling they already occupy or may choose a new dwelling unit.

However, if the family did not have legal domicile in the Housing Authority jurisdiction at the time they came to the top of the wait list, the Housing Authority will not afford the family the right to exercise portability until the family has been assisted for at least twelve months in the Housing Authority's jurisdiction.

D. Incoming Portability Families

When a family who has transferred from another jurisdiction to the Housing Authority jurisdiction, a Voucher will be issued with an expiration date of 30 days after the expiration date of the Voucher issued by the initial Housing Authority, in accordance with HUD regulations regarding portability. If the initial Housing Authority issues a Voucher for less than sixty days, the Housing Authority will extend the term up to sixty days. Any additional extension will be granted based on Housing Authority extension guidelines. (See Section IV, A.) The Housing Authority has the right to absorb the family into the Housing Authority program or administer the family's eligibility and bill the initial Housing Authority, in accordance with HUD regulations.

E. Outgoing Portability Families

If a family who has been issued a Voucher by the Housing Authority is eligible to move and wishes to transfer to another Housing Authority's jurisdiction, the Housing Authority will determine if the transfer is feasible, based on the Housing Authority's current funding limitations.

If the Director of the Housing Authority determines that there may not be sufficient funding to support all families on the program, the family's right to transfer their case will be limited, as follows. The family may only be approved to move to a Housing Authority who will either absorb the case or one who will afford a payment standard for the family that is equal to or less than the Shasta County Housing Authority's payment standard for the family.

If the family's case is transferred, the receiving Housing Authority may either absorb the family into their own program or administer the family's eligibility. If the receiving Housing Authority administers the family's eligibility, reimbursement to the receiving Housing Authority will be processed, in accordance with HUD regulations.

If the family owes the Housing Authority money, the Housing Authority will not allow the family the right to move to another jurisdiction under portability unless the debt is paid in full before the family's Voucher expires.

F. Subsidy Standards

Subsidy standards are the standards used to determine the appropriate subsidy for families of different sizes and compositions. The subsidy standards do not indicate who must share a sleeping/living area.

The Housing Authority will issue each housing Voucher a subsidy standard based on family composition. The family chooses a unit they would like to rent, subject to restrictions against overcrowding and in accordance with HUD requirements.

An exception to the subsidy standards may be granted if the Housing Authority determines that the exception is justified due to special needs of the family member(s). For example, an exception may be based on the need for an extra bedroom to store or utilize medical equipment, or to accommodate a family member with a disability or medical condition. Documentation will be required. If an exception to the subsidy standards is granted due to special needs of the family member(s), the continued need for the exception will be evaluated periodically.

At the time the Voucher is issued, no additional household members will be approved by the Housing Authority unless due to birth, adoption, foster care placement or marriage or as a reasonable accommodation for a disabled household member. At the discretion of the Housing Authority, it may be allowed for a biological or legal parent of a child in the family to be added.

Effective February 1, 2014, subsidy standards are based on the following guidelines:

1. One bedroom will be allocated for every two household members, regardless of the age, sex, or relationship of the household members.
2. The unborn of a pregnant woman will be considered in determining a subsidy standard If there are no other family members in the home other than the pregnant woman (and spouse/co-head or significant other, if applicable.)
3. A child who is temporarily away from the home (see Section VI, D., 2) because of placement in foster care is considered a member of the family in determining the subsidy.
4. A live-in-aide will also be considered when determining subsidy standards, according to HUD regulations. An approved live-in aide and their family members may reside in the unit as long as their presence does not overcrowd the unit (more than two persons per sleeping/living space). Note: Unless a live-in aide lives with the family, the subsidy size for any family consisting of a single person will always be a one-bedroom unit. When determined necessary, the continued need for a live-in aide will be reevaluated periodically.
5. Persons residing in the home for less than 50% of the time will not be considered members of the household and, therefore, not considered when determining subsidy standard. Evidence of percent of residency in the home will be determined by the Housing Authority based on verifications such as court orders, tax returns, school records and assistance benefit issuances by other agencies.

G. Request for a Reasonable Accommodation

If a member of a family has a disability and a request is made either verbally or in writing for a reasonable accommodation for the disability, the Housing Authority will consider the request if it does not conflict with regulations set forth by HUD for administering the HCV program.

The SCHA may ask the family to make its request in writing using a reasonable accommodation request form provided by SCHA. However, the SCHA will consider an accommodation request any time a family indicates that an accommodation is needed, regardless of whether the request is submitted in writing, and regardless of whether the request is submitted on the SCHA Reasonable Accommodation form.

The family must explain what type of accommodation is needed to provide the person with the disability full access to the SCHA programs and services.

If the need for the accommodation is not readily apparent or known to the SCHA, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable relationship, or nexus, between the requested accommodation and the individual's disability.

The request for a reasonable accommodations/reasonable modifications need not use a specific written form and need not mention the Fair Housing Act, Section 504, or the ADA, or use the phrase "reasonable accommodation" or "reasonable modification." Requests for accommodation will be evaluated and decided upon by the Section 504 Coordinator.

Before providing an accommodation, the SCHA must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to the SCHA programs and services.

If a person's disability is obvious or otherwise known to the SCHA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required.

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the SCHA, the SCHA 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.

The SCHA must approve a request for an accommodation if the following three conditions are met:

1. The request was made by or on behalf of a person with a disability.
2. There is a disability-related need for the accommodation.
3. The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden

Requests for accommodations must be assessed on a case-by-case basis, taking into account factors such as the cost of the requested accommodation, the financial resources of the SCHA at the time of the request, the benefits that the accommodation would provide to the family, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve or deny the request, the SCHA may enter into discussion and interact with the family, request more information from the family, request an inspection of the unit be performed or may require the family to sign a consent form so that the SCHA may verify the need for the requested accommodation.

After a request for an accommodation is presented, the SCHA will respond, in writing, within 15 business days.

If the SCHA denies a request for an accommodation because it is not reasonable or the accommodation lacks a nexus, a denial notice will be mailed to the household. The denial notice will inform the family of the right to appeal the SCHA decision through an informal hearing (see Section VI of this plan).

If the SCHA denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden, the SCHA will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the HCV program and without imposing an undue financial and administrative burden. The denial notice will inform the family of the right to appeal the SCHA decision through an informal hearing (see Section VI of this plan).

If the SCHA believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, the SCHA will notify the family, in writing, of its determination within 15 business days from the date of the most recent discussion or communication with the family and the family will have the right to appeal the SCHA decision through and informal hearing (see Section VI of this plan).

In the event that a family requests a reasonable accommodation to rent a unit from a relative due to a family member's disability, the justification must indicate the reasons the particular unit better meets the needs of the disabled family member rather than a similar unit. The determination that the need for a reasonable accommodation exists may be reevaluated at each annual recertification.

~~In the event that a family requests a reasonable accommodation for an extension for requesting an informal hearing, the request must be provided to the Housing Authority office within 30 days of the date of termination. The Housing Authority will determine if the family does include a person(s) with disabilities and whether or not the disabilities affected the family's ability to request an informal hearing within the 10-day period.~~

In the event that a person(s) with a disability makes a request, as a reasonable accommodation, of an extension of the 10-day deadline for requesting an informal hearing, the request must be provided to the Housing Authority's office within 30 days of the date of termination. The Housing Authority will determine if the family does include a person(s) with disabilities and whether it not the disabilities affected the family's' ability to request an informal hearing within the 10-day period.

## SECTION V.

### LEASING A UNIT

#### A. Assistance to the Family in the Case of Alleged Discrimination

The Housing Authority will provide assistance in finding a unit for any family, which alleges that discrimination is preventing them from locating a suitable unit. When requested, the Housing Authority will provide information to the family in regards to filing a claim for illegal discrimination regarding housing. Assistance will also be provided in finding units for those families who, because of age, handicap or other reasons are unable to locate acceptable units.

#### B. Leasing Process

The family must request that the Housing Authority initiate the leasing process for a particular unit by submitting the required lease documents to the Housing Authority, which includes the Request for Tenancy Approval (RFTA) form. The Housing Authority will review the lease documents and discuss the program with the owner. If the information on the unit complies with the limits of the particular family, an inspection of the unit will be scheduled. Once a RFTA has been submitted for approval, the unit must be available for the initial inspection within thirty (30) days from the date of the receipt of the RFTA form. When the unit passes inspection, appropriate lease documents will be prepared.

The beginning date of the Contract and Lease will be the first day of the month on or after the unit passes inspection and the tenant has taken possession of the unit.

The unit must pass an initial Housing Quality Standards inspection before the Housing Assistance Payments Contract can begin. The Housing Authority is not responsible for any payment to the landlord prior to the execution of the Housing Assistance Payment Contract.

#### C. Rent Reasonableness

The Housing Authority will conduct a comparability study to determine if the rent being requested by the landlord is reasonable compared to other similar, unassisted units in the area. This comparability study will be performed in accordance with HUD regulations, which includes studies at initial leasing of a unit and at any time that the landlord requests a rent increase. The Housing Authority may also re-determine rent reasonableness at its discretion to monitor compliance with HUD regulations.

The requested rent amount will be compared to at least two similar unassisted units within the immediate area. If comparable units are not located within the immediate area, units located in the near vicinity may be used. Documentation of the comparability study will be kept in the case file. In the event that the Housing Authority cannot locate similar unassisted units that compare to the rent being requested by the landlord, the Housing Authority will offer the opportunity for the landlord to provide such comparables. If the landlord does so, the Housing Authority will verify whether the comparables are adequate.

The following may be taken into account: location, unit size, unit type, unit age, amenities, facilities, services and utilities to be paid by the owner. The Housing Authority solicits information from local landlords regarding the rents being charged for unassisted units. The Housing Authority may also use local agencies and real estate publication services. The Housing

Authority may also use data collected from public advertisements. Other factors which may be considered will include the Fair Market Rent (FMR) as published by HUD annually; Fair Market Rents are housing market-wide estimates of rent plus utility costs and are established on an area basis by HUD.

D. Housing Quality Standards Inspections

The term, Housing Quality Standards, refers to the minimum quality standards for housing assisted under the HCV program in accordance with HUD regulations.

1. Inspection of Contracted Units will occur:
  - a. Prior to execution of a rental assistance contract and at least once every 12-24 months thereafter, unless otherwise specified by HUD;
  - b. At the request of the family, or upon complaint by the family of uncorrected deficiencies, which may develop during the lease/contract term;
  - c. At the request of the owner due to a concern by the owner or to document the condition of a unit at the time the tenant vacates the unit;
  - d. At the Housing Authority's discretion due to a complaint regarding the condition of the unit or as required by law enforcement or HUD;
  - e. As a Housing Quality Control measure, a sampling of units is inspected annually on a random basis by a qualified inspector other than the person who regularly performs inspections. (The minimum size of the Housing Authority quality control sample is determined in accordance with HUD regulations); and
  - f. All inspections will be scheduled, in advance, by contact with the family. A 24-hour notice will be given unless the family agrees to a shorter time frame. If a contact cannot be made with the family directly, a letter will be sent to the family indicating the date and time of the inspection.

2. Notification of Inspection Determinations

The landlord and family will be notified in writing of any deficiencies noted during inspections. Deficiencies which receive a "Fail" rating, in accordance with HUD's Housing Quality Standards, will require correction within a specified time frame, as indicated in the notification letter. If fail items are not corrected as required, rental assistance payments may be abated until the fail items are corrected or the Housing Assistance Payment Contract may be terminated.

The correction of fail items may be documented either by a re-inspection by Housing Authority staff or by the owner's written certification, a receipt from a vendor, a photo of the repair or tenant confirmation that the repairs are complete. The Housing Authority will determine whether a Housing Authority re-inspection or landlord/tenant certification will be needed, based on the number and severity of the fail items.

3. Owner and Family Responsibilities

a. Family Responsibilities

The family is responsible for correcting the following HQS deficiencies:

1. Tenant paid utilities not in service
2. Failure to provide or maintain appliances owned by the family
3. Damage to the unit or premises caused by a household member or guest beyond normal wear and tear.

Owner Responsibilities

Owners are responsible to the PHA for compliance with all HQS items except those specifically stated above as family responsibilities.



## SECTION VI.

### POLICIES FOR PARTICIPATION

#### A. Unit Occupancy

##### 1. Change in Family Size

- a. When a family size increases to the extent that there are more than two persons per living/sleeping area, the family will be determined to be overcrowded for the unit. In this event, a notice of Housing Assistance Payment contract termination will be provided to the family and the landlord at least thirty days in advance of the termination of the HAP Contract. Assuming the family remains eligible for the program, the family will then be issued a Voucher of appropriate size and will be required to move to an appropriately sized unit in order to retain HCV eligibility.
- b. When the family size decreases to the extent that the current Voucher size is no longer appropriate, the family is over housed. Effective the next annual recertification following the decrease in family size, Voucher holders will have their payment calculated based on the appropriate payment standard for the family size at that time.
- c. The family must not allow anyone to move into the assisted unit without prior approval by both the Housing Authority and the landlord. During the initial year of a HAP Contract and Lease, no new household members will be approved by the Housing Authority unless due to birth, adoption, foster care placement or marriage or as a reasonable accommodation for a disabled household member. At the discretion of the Housing Authority, it may be allowed for a biological parent of a child in the family to be added during the initial year of the HAP Contract.
- d. If the landlord does not approve a person to be added to the household, the Housing Authority will not approve the person(s) to be added to the family's assistance case at that assisted unit. If the additional person(s) move into the unit without approval, termination of family assistance may result.

##### 2. Moving within the Housing Authority's Jurisdiction:

The family's eligibility to move with continued assistance is at the discretion of the Housing Authority. Factors to consider include:

- a. the family's eligibility for continued assistance;
- b. the family's compliance with Family Obligations while participating in the HCV program;
- c. available program funding;
- d. verification that any debt due to any Housing Authority has been paid

A full reexamination of family income and composition will be completed prior to the issuance of a moving Voucher unless a full reexamination was completed not more than 60 days prior to the date of issuance of a Voucher to move. The Housing Authority reserves the right to deny a family's request to move with continued assistance if the family owes money to the Housing Authority.

The family may not move during the initial year of assisted occupancy in a unit without prior written approval from both the Housing Authority and the landlord. The Housing Authority will only approve a move in the first year of the assisted tenancy in a unit due to extenuating circumstances which are beyond the family's control including, but not limited to health issues; participants who can document that they are a victim of domestic violence, dating violence or stalking; participants who can document that they are a victim of activity which threatens the health and safety of the family members.

If the Director of the Housing Authority determines that there may be a possibility of the termination of families from the HCV program due to funding constraints, the family may be denied the right to move with continued assistance, as follows. If a participant family has already been issued a Voucher to move but the lease up process in a new unit has not yet been finalized, the Voucher may be rescinded. If a participant family is in the process of being issued a Voucher to move, the family will not be issued a Voucher until further notice. In both cases, the families will have their name added to the HCV wait list, with priority, according to their original wait list application date, so that assistance can be offered to the family once funding does become available.

3. Change of Ownership Due to Lender Foreclosure of Unit

The Housing Authority will make all reasonable efforts to determine the status of the ownership of a property when it is made known that the property is in the process of foreclosure, which includes, 1) Continuing to make payments to the original owner until ownership legally transfers in accordance with the HAP contract, 2) Attempt to obtain a written acknowledgement of the assignment of the HAP contract from the successor in interest, 3) Inform the tenant that they must continue to pay rent in accordance with the lease, 4) Inform the tenant if the Housing Authority is unable to make HAP payments to the successor in interest, due to an action or inaction by the successor that prevents such payments (e.g., rejection of payments or failure to maintain the property according to HQS), or due to an inability to identify the successor, 5) Inform the tenant of continued eligibility options should the HAP Contract terminate.

4. Change in Ownership

A change in ownership does not require execution of a new Housing Assistance Payments Contract. The Housing Authority will start to process a change in ownership with a written request from the new or previous owner.

Ownership changes will not be processed until the new owner has completed a Change of Ownership for Section 8 Contracted Units form, Tenant Reference Sheet, Owner Certification form, W-9 and provided a copy of the grant deed or other documentation showing transfer of title has occurred.

All ownership changes, not involving lender foreclosures, must take effect no later than 60 days from the date of the original request. Failure to complete the required

documentation within 60 days will result in termination of the Housing Assistance Payment Contract.

5. Voucher Disbursement at Family Separation

If a family separates, the assistance will be allocated based in order of priority as listed below.

- a. The adult member of the family who retains the primary physical custody of the majority of the minor children, with consideration of the following:
  - 1) If the family member who retains the primary physical custody of the majority of the minor children is not the head of family and was not in the home at the time the Voucher was issued, the Housing Authority will determine which adult member will retain the assistance. Circumstances to be considered will include, but are not limited to, recommendations from a child welfare agency, domestic violence reports, and criminal reports.
  - 2) If there are an equal number of children with each adult, the designated head of the family will retain the eligibility unless the head relinquishes assistance, in writing, to the other adult member.
- b. The adult member who was originally issued the Voucher.
- c. The adult member who has been in the family the longest amount of time.
- d. The adult member of the family who is elderly and/ or disabled.
- e. A non- family member, who is otherwise eligible to participate in the HCV program, who moves into the unit to care for the minors in the event of the unexpected absence of all other adult family members (i.e., death of a parent).

6. Absence from the Unit

Absence is defined as no family members residing in the unit. Such absence is allowable for no more than a 60-day period, except in extenuating circumstances, as approved, in writing, by the Housing Authority. Extenuating circumstances that may be considered include vacation and hospitalization. Absences that exceed this 60-day limit without approval by the Housing Authority will result in termination of the Housing Assistance Payment Contract and Voucher.

The means that the Housing Authority will use to determine the family's occupancy or suspected absence from the unit will include, but are not limited to: letters to the family's unit, phone calls, home visits and questions to landlords or neighbors.

7. Remaining Member of a Family:

When a family decreases in size to the extent that only one person remains, the individual remains eligible for the program under this rule.

B. Income

## 1. Verification of Income

- a. The Housing Authority may request third party verifications of income on all families. The Housing Authority will allow up to fourteen days for the receipt of the third party verification before processing a transaction. However, if third party verifications are not received in time for the timely completion of a transaction, the Housing Authority will use the verifications received to that date. When the third party verifications are received, an interim change to the rent shares will be processed if the change in income requires a change in rent shares, based on recertification policies.
- b. The Housing Authority will utilize both HUD's Enterprise Income Verification (EIV) System as well as the California Welfare system database (ISAWS) for verifying Social Security income and welfare benefits.
- c. If there are regular contributions to the family from an unknown source (such as miscellaneous bank deposits), these contributions will be counted as income unless the party making the contributions to the family certifies that the amounts are a loan. In this case, both parties must provide written detailed verification as to the amount of the loans, the duration they will continue and the details regarding the repayment of the loan amounts.

Examples of regular contributions include: (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, or 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 or clothing provided to a family on a regular basis.

- d. 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. 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.
- e. In the case of the issuance of a Voucher, all income verifications must be dated within sixty days of the effective date of the Voucher. In the case of an annual recertification, all income verifications must be dated within 120 days of the annual recertification effective date.
- f. To determine business expenses that may be deducted from gross income, the Housing Authority will accept complete tax returns submitted to the Internal Revenue Service (IRS) for verification of net income. If the family does not file tax returns on a consistent basis or if the business is relatively new at time of certification, self-employment income will be based on profit/loss statements provided by the tenant, which include receipts for specified costs and spreadsheets or journals for general costs such as gas/mileage.

- g. A family with children is entitled to a deduction for child care expenses if they are necessary to enable a family member to work or further his or her education. To be deductible, child care expenses must also satisfy regulatory requirements.
- h. In some cases, HUD regulations require that a student's income eligibility must be examined along with the income eligibility of the student's parents. If, however, a student in these circumstances is determined independent from his/her parents in accordance with the Housing Authority policy, the income of the student's parents will not be considered in determining the student's eligibility. The following criteria are used to determine independence from parents for the application of the student regulation:
  - 1) The individual is of legal contract age under state law.
  - 2) The individual has established a household separate from his/her parents for at least one year prior to application for occupancy.
  - 3) The individual was not claimed as a dependent by his/her parents pursuant to IRS regulations, as demonstrated on the students' most recent tax forms.
  - 4) The individual provides a certification of the amount of financial assistance that will be provided by his/her parents. This certification must be signed by the individual providing the support and must be submitted even if no assistance is being provided.

For any student who is subject to this regulation and who does not satisfy the definition of independent student in this section, the Housing Authority will determine the income eligibility of the student's parents as follows:

- 1) If the student's parents are married and living together the Housing Authority will obtain a joint income declaration and certification of joint income from the parents.
- 2) If the student's parent is widowed or single, the Housing Authority will obtain an income declaration and certification of income from that parent.
- 3) If the student's parents are divorced or separated, the Housing Authority will obtain an income declaration and certification of income from each parent.
- 4) If the student has been living with one of his/her parents and has not had contact with or does not know where to contact his/her other parent, the Housing Authority will require the student to submit a certification under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. The Housing Authority will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.

2. Reporting of a Change in Family Income

- a. The family is responsible to report and provide verification of changes in gross family income within 15 calendar days of the change. If the family does not report and provide verification of such changes within 15 calendar days, termination of eligibility may result.
- b. Yearly cost of living adjustments issued by the Department of Social Security, which increase the family's share of rent, will not be considered in a change in rent shares until the family's next annual recertification after the increase becomes effective. All other adjustments to Social Security benefits are required to be reported and verified by the family at the time of the adjustment and may be considered in a change in rent shares.
- c. If a family reports a change in income that the family is not required to report or a change in income which does not require a change in rent shares, no amendment to Contract and Lease will be made unless the family requests, in writing, that an amendment be processed. The verifications will be maintained in the case file for possible use at the family's next annual recertification.

C. Amount Owed to Housing Authority by the Family

1. Unreported Changes in Income and/or Household Composition

If it is determined that the family has had a change in household income or composition since the most recent certification (admission to the program or annual recertification) but did not report it in a timely manner (see Attachment B.), termination of benefits and/or an overpayment of housing assistance may occur.

Termination of eligibility in the program due to unreported income can also occur based on the number of occurrences of unreported income by the family in the past. In the event of termination for these reasons, reimbursement of the overpayment will continue to be pursued until the amount is collected in full.

Unreported income will be determined based on the difference between the income that was used to determine shares of rent versus what would have been used had the Housing Authority known of the increase in income in a timely manner. The number of months of unreported income will be determined based on when the amendment to Contract and Lease would have been initiated had the Housing Authority known of the increase in income in a timely manner versus the time the amendment was actually initiated.

2. Fraudulent Representation of Family Income and/or Household Composition

If it is determined that the family did not accurately report and verify family income and household composition at the most recent certification (admission to the program or recertification), fraudulent activity may exist, and termination of benefits and an overpayment of housing assistance may occur. In this case, an overpayment of the entire Housing Assistance Payments will be calculated for the period between when an amendment to Contract and Lease would have been initiated had the Housing Authority known of the increase in income in a timely manner through the termination date of the

family's assistance.

3. Tenant Repayment Policy

If it is determined that there is an overpayment due to the Housing Authority the family will be required to enter into a repayment agreement in order to continue receiving assistance. If the family does not agree to enter into a repayment agreement, the family will be terminated from the program.

4. Repayment Agreement Stipulations

The term repayment agreement refers to a formal document signed by a tenant and the Housing Authority in which a tenant acknowledges a debt in a specific amount and agrees to repay the amount by a specific date. The Housing Authority may not enter into a repayment agreement if there is already a repayment agreement in place with the family. (In this event, the family may be terminated from the program.)

- a. The entire debt must be repaid in full before the family will be issued a Voucher to move from the unit.
- b. No move will be approved until the debt is paid in full unless the move is the result of the following causes, and the repayment agreement is current: family size exceeds the HQS maximum occupancy standards; the HAP contract is terminated due to owner non-compliance or opt-out; a natural disaster.
- c. If the family does not comply with a repayment agreement as required, the Housing Authority will initiate termination of rental assistance benefits and/or deny the right to move to a new unit with continued assistance. In the event that the family is terminated/denied continued assistance, the balance of the overpayment will continue to be pursued until the amount is collected in full.
- d. Payments will be made directly to the Housing Authority, or a third party collection agency, in a lump sum or in periodic payments in the form of cashier's check, money order or check until the full amount due is recovered.
- e. The Housing Authority may use a collection agency to collect debts owed.
- f. If the family refuses to repay the debt, enter into a repayment agreement, or breaches a repayment agreement, the Housing Authority may terminate the assistance upon notification to the family and pursue other modes of collection.

D. Family Members

1. Live-In Aides

The Housing Authority may approve a live-in aide, in accordance with HUD regulations. The Housing Authority must receive written documentation from a medical professional, which verifies that a live-in aide is necessary for the well being of the family member

needing the live-in aide. The live-in aide must sign a form verifying that they acknowledge the following:

- a. A live-in aide resides with the family for the sole purpose of providing necessary care and supportive services to the disabled or elderly family member(s).
- b. A live-in aide is not considered a member of the family and is not entitled to any form of HCV rental assistance benefits

One additional bedroom will be allotted for the live-in aide. A live-in aide's family members may reside in the unit with the live-in aide as long as their presence does not overcrowd the unit (more than two persons per sleeping/living space).

The Housing Authority may not approve a person as a live-in aide if the requested person is a family member of the current household. Relatives who currently reside in the household are not automatically excluded, provided however that such relatives must comply with all applicable regulations, laws, and HUD requirements. Further, the relative must meet the requirements stated in 24 CFR 5.403.

## 2. Foster Persons

- a. Foster persons temporarily out of the home of the assisted family: For purposes of subsidy standards determination, a foster person who is out of the home will be considered to be 'temporarily out of the home' if the foster care placement agency responsible for the person's placement can provide verification that there is a reasonable expectation that the person will be returned to the home within six months of the date the determination is being conducted.
- b. Foster persons living with the assisted family: Foster persons may be allowed to live with the assisted family if the addition of the foster persons does not create the condition of overcrowding. Payments received by the family for the care of foster children or foster adults are not counted in family income if the foster person is placed in the home by a foster care custodial agency and payments are made by the foster care placement agency responsible for the person's placement.

## 3. Co-Head

If an adult family member signs the application form or certification / recertification form as the co-head of the family, that person will be designated as co-head of the family. Also, if a head of household has a child in common with another adult in the home, the other adult will be designated as co-head of the family.

## 4. Verification of Social Security Number

An original social security card or written verification from the Social Security Administration office verifying a member's social security number must be provided for all household members. If a social security card is not available or unable to be copied, a receipt showing that a duplicate card has been requested will suffice until the duplicate card is issued. In this instance, written verification from the Social Security Administration office verifying a member's social security number must be provided. Additional verifications may include a copy of a Medi-cal or Medicare card, if the social



security number is evident on the card or written verification from another government agency. If an applicant household member under the age of six (6) does not have a Social Security Number (SSN), the applicant family will have 90 days from the date of admission to provide written verification of the SSN for the family member under the age of six (6). In the case of a foster child, a signed and dated letter from the foster care agency verifying the social security number can be provided as evidence.

E. Family Self-Sufficiency

The Housing Authority will operate a Family Self-Sufficiency Program (FSS) in accordance with a HUD approved Action Plan. Families who choose to participate in the FSS program must be current participants in the HCV program, and will be bound by the regulations of both programs.

The Housing Authority will not terminate a family's assistance in the HCV program solely due to the family's failure to meet its obligations under the Family Self-Sufficiency program.

The FSS Action Plan is included as Attachment C and is available to Shasta County residents only.

F. Termination of Assistance

HUD regulations specify grounds for the mandatory termination of assistance. In addition, if a family violates any obligation listed on the 'Family Obligations' form or the obligations listed on the HCV Voucher, they may be terminated from the HCV program. (See Attachment B.)

If a family vacates an assisted unit while an owner eviction process is taking place, but before a court decision is made, termination of assistance may occur. The Housing Authority will base its decision regarding termination of eligibility on the preponderance of evidence surrounding the eviction and tenant compliance with Family Obligations.

The Violence against Women Act (VAWA) prohibits Housing Authorities from terminating housing assistance and/or tenancy for a family participating in the HCV program due to actual or threatened domestic violence, dating violence, sexual assault or stalking. (See Attachment F and G.)

The termination notice will include the effective date of termination of HCV assistance, a description of the specific reasons for the termination and will include copies of any documents, which support the reason for the termination. The termination notice will also include the information necessary for the family to file for an informal hearing regarding the termination of assistance, if they wish to do so.

In accordance with 24 CFR 982.553 (c) of the Federal Register, where the Housing Authority has the authority to determine denial or termination of benefits based on criminal activity, the Housing Authority will base its decision on a preponderance of the evidence, regardless of whether the household member has been arrested or convicted for such activity.

Note: The Housing Authority may consider the following factors when making its decision to terminate assistance: The seriousness of the case, especially with respect to how it would affect other nearby residents, the effects that termination of assistance may have on other members of the family who were not involved in the action or inaction, the extent of participation or culpability of individual family members.

In this case, termination may be avoided if the Housing Authority determines that it is feasible for the offending household member to vacate the unit, as a condition of continued assistance. The head of household must certify that the culpable family member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon Housing Authority's request.

A Housing Authority may terminate HAP contracts if the Housing Authority determines, in accordance with HUD requirement, that program funding is insufficient to support continued assistance for families in the program. In the event that it is determined that insufficient funding is available to support all families in the HCV and PBV program, the Housing Authority will terminate HAP contracts, as needed to meet funding constraints, in order as follows:

1. Households living in units within a housing complex that receives or received either direct or indirect government subsidies used to finance the development or ongoing operation of affordable rental housing units for low-income households, in order by last in, first out.
2. Non-disabled, non-elderly households without minor children in order by last in, first out.
3. Non-disabled, non-elderly households with minor children in order by last in, first out.

Those families terminated from the program for this reason will have their name added to the HCV or PBV wait list, with priority, according to their original wait list application date, so that assistance can be offered to the family once funding does become available. At that time, continued eligibility will be determined in order to ensure they remain eligible to receive assistance, according to HUD regulations and Housing Authority policies. In this situation, the families will be added to the wait list whether or not the wait list is open for application at the time.

G. Informal Hearing

When the Housing Authority takes an action for which a hearing can be requested, the family will be notified in writing of their right to request an informal hearing. The family must request the hearing, in writing, which must be received or post-marked within ten calendar days of the date of the termination letter. Housing Authority informal hearing procedures are described in Attachment E. Only the following Housing Authority determinations are subject to a hearing.

1. Family income and the use of that income to compute the housing assistance payment;
2. Appropriate utility allowance from the Housing Authority utility allowance schedule;
3. Family unit size under the Housing Authority subsidy standards or denial to an exception to subsidy standards;
4. Termination of assistance for a participant family because of the family's action or failure to act;
5. Family's absence from their assisted unit for longer than allowed under Housing Authority policy and HUD rules.

6. Denial of a request for a reasonable accommodation.

## SECTION VII.

### DETERMINATION OF SUBSIDY AND RECERTIFICATION OF INCOME AND ELIGIBILITY

#### A. Determination of Family Contribution and Housing Assistance Payment

1. Maximum Subsidy: In accordance with HUD regulations, the maximum subsidy for a unit is determined by deducting the total tenant payment for the family from the gross rent of the unit or the appropriate payment standard, whichever is less. The total tenant payment is the greatest of 10% of the family's gross monthly income, 30% of the family's adjusted monthly income or the minimum rent.
2. Family Share of rent: In accordance with HUD regulations, the family pays the difference between the contract rent and the maximum subsidy. The family may not pay more than 40% of adjusted monthly income to rent and estimated utilities at initial leasing.

#### B. Minimum rent

HUD regulations provide that the Housing Authority shall implement a minimum rent of zero to \$50. The minimum rent set by the Housing Authority is \$50.00.

Exemption: If a family is unable to pay the family share of rent due to a financial hardship as described below, they may request an exemption, in accordance with HUD regulations. A request for an exemption must be supported by written documentation of the hardship. A hardship may be temporary or long-term. Temporary hardship is defined as a financial hardship that is expected to last 90 days or less. Long-term hardship is defined as a financial hardship that is expected to last more than 90 days.

Financial hardship includes the following:

1. The family has lost eligibility for, or is waiting for an eligibility determination for a Federal, State or local assistance program;
2. The family would be evicted because it is unable to pay the minimum rent;
3. The income of the family decreased due to change in circumstances including loss of employment, death in the family or other circumstance determined by the Housing Authority to be out of the family's control.

#### C. Payment Standard

In accordance with HUD regulations, the Housing Authority may establish the payment standard amount for a unit at any level between 90-110% of the HUD-published Fair Market Rent for that unit size.

At least annually, the Housing Authority payment standard will be evaluated to determine if an adjustment is necessary. The Housing Authority will give local market factors consideration in determining the need for adjustments. Factors will include but are not limited to: local contract rents, estimated utility costs, average time for finding eligible housing, rent reasonableness data, the local vacancy rate as well as program funding.

Any adjustments to Housing Authority Payment Standards will be made in accordance with HUD regulations.

D. Certifications / Recertification

All information regarding all household income will be verified at initial admission to the program, at interim recertifications, as needed, and at annual recertifications. All income calculations are projected on an annual basis. However, if the Housing Authority determines that there is a substantial fluctuation in family income, the Housing Authority may re-verify and re-compute income on a quarterly basis until the situation stabilizes. Quarterly evaluations of income may also occur for families who report no income or whose maximum family contribution exceeds 85% of adjusted household income.

1. Interim Recertification

The family's eligibility will be recertified when a change of family income and/or family composition is reported and verification is provided by the family or is determined by the Housing Authority to have occurred.

a. Increase to family income only (no change to household composition):

- 1) Changes to the family's total tenant payment of \$100.00 or less due solely to an increase in family income will not result in an amendment to Contract and Lease until the family's next annual recertification. However, if a family requests in writing that the shares of rent be adjusted, an adjustment will be made.
- 2) If the family reports and provides verification that there has been an increase in family income which causes the total tenant payment to increase more than \$100.00 per month, an amendment to family share of rent will be made.
- 3) If a full-time student has turned 18 years old since the last annual recertification, any income earned by that student which could affect the shares of rent will not be considered until the next annual recertification. Consequently, the income earned by the student between the 18<sup>th</sup> birthday and the first annual recertification after the 18<sup>th</sup> birthday will not be considered undetected income.

b. Decrease to family income:

If the family reports and provides verifications that there has been a change in family income, which causes the family share of rent to decrease, an amendment to family share of rent will be made effective the first of the month following the receipt of verifications needed to determine the new shares of rent. If a decrease is reported and verified change is provided to the Housing Authority by the twenty fifth of the month, staff will process the decrease in the family share of rent effective the first of the next month.

c. Changes to household Composition

Changes to the family's household composition will result in an interim amendment, regardless of the change in amount of total tenant payment.

2. Annual Recertification

An annual recertification of family income, composition and circumstances will be performed at least once during each twelve-month period, in accordance with HUD regulations. This applies to all program participants without exception.

3. Notification Procedures

Shasta County Housing Authority will give the family at least 30 days advanced written notice of any future increase in the family's share of rent as a result of an annual or interim reexamination as long as all aspects of the reexamination are completed by the tenant and/or landlord in a timely manner.

However, if Shasta County Housing Authority determines that the family, , by their action or inaction, has delayed the reexamination process, Shasta County Housing Authority will, without advance notice, implement any increase in the family's TTP resulting from the reexamination, retroactively to the following effective date:

1. Annual reexamination: The family's anniversary date;
2. Interim reexamination: The first day of the month following the month in which the family provides information regarding income, assets, and expenses. In this event, the family may owe the Housing Authority for overpayments made due to the tenant-caused delay of reexamination of family income. The number of months of overpayment is determined based on when the interim amendment would have been initiated had the HA known of the increase in income in a timely manner versus when the interim amendment was actually initiated.

Any overpayments must be reimbursed to the Housing Authority or termination of assistance may result. (See Section VI, B., 3.)

## SECTION VIII.

## MAINTAINING CONTRACTUAL RELATIONSHIP WITH OWNERS

A Housing Authority representative will explain contract terms to the owner at the time the Housing Assistance Payment contract is signed. Prospective landlords must complete, sign and submit a Form W-9, Request for Taxpayer Identification Number (TIN), Landlord Certification and a copy of the grant deed or other documentation demonstrating the prospective landlord is the owner of the unit to the Housing Authority to participate in the program. The owner's address must not be the same as the assisted unit. (The Housing Authority will not mail a payment to the owner at the participant's unit or P.O. Box address.) Contracts and leases will be negotiated with the landlords based on HUD regulations and requirements. A copy of the contract and lease will be sent to the landlord. A copy of the lease will be sent to the family.

All owners participating in the program will be required to maintain their units in decent, safe and sanitary condition. A monthly Housing Assistance Payment will be issued for units under a Housing Assistance Payment contract, for so long as the contract is in effect and the unit and owner remain in compliance with the contract.

A. Screening of Family

The Housing Authority does not screen the family for behavior or suitability as tenants. Such screening is the landlord's responsibility.

B. Information to Landlords

Upon request, the Housing Authority will provide the following information to a prospective landlord: the name and addresses of owners at the family's current and prior addresses, if known to the Housing Authority.

C. Encouraging Landlord Participation

The Housing Authority encourages landlord participation in the program. Landlords are provided with general information packets when inquiring about the program. Flyers informing landlords that they may contact the Housing Authority regarding any available units in the area, which may be available to program clients, are sent along with recertification packets. When landlords provide information regarding such units, the unit is added to an 'available units listing' which is maintained for the purpose of assisting eligible HCV families in locating housing. This list is only provided to families who have been issued a Voucher of eligibility.

D. Amount Owed to the Housing Authority by the Owner

An owner may owe money due to a Housing Authority overpayment. The owner will be responsible for repaying the Housing Authority for any overpayments made. The owner will be advised as to the method for repayment of any overpayment.

E. Denial of Owner Participation

HUD regulations require mandatory denial of owner participation when directed by HUD. This applies to owners subject to federal sanctions for violation of the Fair Housing Act or other federal equal opportunity requirements.

The Housing Authority may also choose to deny participation to owners who have committed fraud, bribery, or any other corrupt or criminal act with any federal housing program; who fail to pay state or local real estate taxes, fines, or assessments; or who have a history of practice of violating housing quality standards. Deliberate violation of program regulations for financial gain, such as collecting more rent from the family than authorized by the Housing Authority, may be grounds of denial of future owner participation. Landlords or owners who threaten or engage in abusive or violent behavior toward Housing Authority staff will be denied participation in the program.

When the Housing Authority decides not to execute HAP contracts with an owner, the decision affects only prospective (future) contracts. Participants residing in units belonging to the identified owner will not be asked to move solely because of a decision to disapprove the owner. If there is a change in ownership during the term of the HAP Contract, the Housing Authority will process the change after the new owner has been verified and approved by the Housing Authority.

F. Expanding Housing Opportunities

The Shasta County Housing Authority implements an Equal Opportunity Plan which details the Housing Authority's efforts to increase housing opportunities to low-income families. One of the objectives of the Plan is to promote greater housing opportunities for families outside areas of low income and minority concentration.

1. The Shasta County Housing Authority jurisdiction for administering the Housing Choice Voucher program includes: the unincorporated areas within Shasta County, the cities of Anderson and Shasta Lake in Shasta County and the counties of Modoc, Siskiyou, and Trinity.
2. The Housing Authority considers census tracts with poverty rates exceeding 20% to be areas of poverty concentration. Due to the low percentage of minority populations in the Housing Authority jurisdiction, the Housing Authority has no areas it considers to be an area of minority concentration.



## SECTION IX.

### ADMINISTRATIVE FEE RESERVE

#### A. Required Use

The Administrative Fee Reserve will be used to pay program administrative expenses that exceed program receipts for the Housing Authority fiscal year.

#### B. Other Permitted Use

If funds in the Administrative Fee Reserve are not needed to cover Housing Authority program administrative expenses to the end of the last expiring funding increment under the consolidated annual contributions contract, the Housing Authority may use these funds for other housing purposes permitted by Federal, State, and local law.

#### C. Threshold Expenditures

The maximum amount of expenditures that the Housing Authority may charge against the Administrative Fee Reserve for other housing purposes, without prior approval of the Board, is set at \$100,000 during any one fiscal year. Such expenditures must be appropriately budgeted by the governing body.

## SECTION X

### MANUFACTURED HOMES

#### A. Introduction

A manufactured home is a manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS.

1. A family can choose to rent a manufactured home already installed on a space and the SCHHA must permit it. In this instance program rules are the same as when a family rents any other residential housing, except that there are special HQS requirements as provided below.
2. HUD also permits an otherwise eligible family that owns a manufactured home to rent a space for the manufactured home and receive HCV assistance with the rent for the space as well as certain other housing expenses.

#### B. Special Policies for Manufactured Home Owners Who Lease A Space

1. In determining the annual income of families leasing manufactured home spaces, the value of the family's equity in the manufactured home in which the family resides is not counted as a family asset.
2. The PHA payment standard for manufactured homes is the payment standard used for the HCV program.
3. The rent for the manufactured home space (including other eligible housing expenses) is the total of:
  - a. The rent charged for the manufactured home space;
  - b. Owner maintenance and management charges for the space;
  - c. The monthly payments made by the family to amortize the cost of purchasing the manufactured home, including any required insurance and property taxes; and
4. The applicable allowance for tenant-paid utilities.
5. Under either type of occupancy described above, the manufactured home must meet all HQS performance requirements and acceptability criteria discussed in Section V of this plan. In addition, the following requirement applies:
  - a. A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage. The home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist overturning and sliding.

## SECTION XI

## HOMEOWNERSHIP

### A. Introduction

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. A family assisted under this option may be newly admitted or an existing participant in the HCV program. The SCHA must have the capacity to operate a successful HCV homeownership program as defined by the regulations.

The family must meet all of the requirements listed below before the commencement of homeownership assistance.

1. The family must have been admitted to the Housing Choice Voucher program and be in compliance with their Lease and Program Regulations.
2. At commencement of homeownership assistance for the family, the family must be any of the following (1) A first time homeowner (defined in CFR 982.4); (2) A cooperative member (defined in CFR 982.4); or (3) A family of which a family member is a person with disabilities, and use of the homeownership option is needed as a reasonable accommodation so that the program is readily accessible to and useable by such person, in accordance with part 8 of CFR 982.627.
3. The head of household must be a member of the Section 8 Family Self Sufficiency (FSS) program and participating in the development of an Individual Training and Service Plan, and is meeting the obligations of their FSS contract. Or the family may be a former member of the FSS program who has successfully completed the program. The family will be required to meet all other obligations and pre-requirements of the Homeownership program. Elderly and disabled persons are exempt from the requirement to participate in the FSS program, but are not prohibited from participation.
4. The family must meet the Federal minimum income requirement, as defined by 24 CFR 982.627.
5. For disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.
6. For elderly or disabled families, welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement. It will not be included for other families.
7. The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a full-time basis (the term 'full-time employment' means not less than an average of 30 hours per week); and has been continuously so employed during the year before commencement of homeownership assistance for the family.
8. The employment requirement does not apply to elderly and disabled families. In addition, if a family, other than an elderly or disabled family includes a person with disabilities, the SCHA must grant an exemption from the employment requirement if the SCHA

determines that it is needed as a reasonable accommodation.

9. The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option.
10. Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
11. Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with 24 CFR 982.63(C).

B. Eligible Units

The unit may not be any of the following:

1. A public housing or Indian housing unit.
2. A unit receiving Section 8 project-based assistance.
3. A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services.
4. A college or other school dormitory.
5. On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.
7. The unit may be not a yet to be under construction, under construction or already exist at the time the family enters into the contract of sale. If the unit is not yet under construction, the SCHA shall not commence homeownership assistance until either the responsible entity completes the environmental review required, HUD approves the environmental certification and request for release of funds prior to commencement of construction or HUD performs an environmental review and notifies the SCHA in writing of environmental approval of the site prior to commencement of construction. Additionally, prior to commencement of homeownership assistance the construction of the unit has been completed and the unit passes the required Housing Quality Standards (HQS) inspection and independent inspection.
8. The unit must be a one-unit property or a single dwelling unit in a cooperative or condominium.
9. The unit must have been inspected by the SCHA and by an independent inspector designated by the family.
10. The unit must meet Housing Quality Standards.
11. For a unit where the family will not own fee title to the real property (such as a

manufactured home), the home must have a permanent foundation and the family must have the right to occupy the site for at least 40 years.

C. Reporting

It is the family's responsibility to find a home that meets the criteria for voucher homeownership assistance. The family's deadline date for locating a home to purchase and closing escrow on the home will be 180-days from the date the family is issued a homeownership voucher. The family will be issued a homeownership voucher once they have completed all required pre-purchase counseling and have received a mortgage pre-approval. Extensions may be granted on a case-by-case basis. If the family is unable to purchase a home within the maximum time established by the SCHA, the SCHA may issue the family a voucher to lease a unit or place the family's name on the waiting list for a voucher. The SCHA will require periodic reports on the family's progress in finding and purchasing a home. The family will provide such reports on a monthly basis to the SCHA.

D. Homeownership Counseling

Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling program required by SCHA.

E. Home Inspections

The SCHA may not commence monthly homeownership assistance payments for a family until the unit and has passed an HQS inspection.

An independent professional inspector selected by and paid for by the family must also inspect the unit. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components. The independent inspector must provide a copy of the report to both the family and the PHA.

The SCHA may disapprove a unit for assistance based on information in the independent inspector's report, even if the unit was found to comply with HQS.

F. Contract of Sale

Before commencement of monthly homeownership assistance payments, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give a copy of the contract of sale to the SCHA. The contract of sale must:

1. Specify the price and other terms of sale by the seller to the purchaser.
2. Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser.
3. Provide that the purchaser is not obligated to purchase the unit unless the

inspection is satisfactory to the purchaser.

4. Provide that the purchaser is not obligated to pay for any necessary repairs; and
5. Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under CFR part 24.
6. Contract of Sale for Units Not Under Construction:
  - a. If the unit is not yet under construction at the time the family is to enter into a contract for sale, the contract for sale must also provide that:
    1. The purchaser is not obligated to purchase the unit unless an environmental review has been performed and the site has received environmental approval prior to commencement of construction in accordance with 24 CFR 982.628.
    2. The construction will not commence until the environmental review has been completed and the seller has received written notice from the SCHA that environmental approval has been obtained. Conduct of the environmental review may not necessarily result in environmental approval, and environmental approval may be conditioned on the contracting parties' agreement to modifications to the unit design or to mitigation actions.
    3. Commencement of construction in violation of environment review and approval from the SCHA voids the purchase contract and renders homeownership assistance unavailable for purchase of the unit.

G. Disapproval of a Seller

In its administrative discretion, the SCHA may deny approval of a seller for the same reasons the SCHA may disapprove an owner under the regular HCV program.

H. Financing Requirement

The family is responsible for securing financing. The SCHA has established financing requirements, listed below, and may disapprove proposed financing if determined that the debt is unaffordable. The SCHA may prohibit the following forms of financing:

1. Balloon payment mortgages.
2. Variable interest rate loans.
3. Seller financing on a case-by-case basis.
4. All mortgage payment costs cannot exceed 50% monthly gross income.
5. Loans including persons other than those listed in the assisted family household for Homeownership program participation.

I. Underwriting Guidelines

If the mortgage is not FHA-insured, the SCHA will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/FHA, Ginnie Mae, Fannie Mae, Freddie Mac, California Housing Finance Agency (CalHFA), USDA Rural Housing Services, The Federal Home Loan Bank or other private lending institutions.

J. Down payment

The SCHA does not have a minimum family down payment requirement. Regardless the family should expect to comply with secondary mortgage market underwriting down payment requirements.

K. Family Obligations

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, the SCHA may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund the SCHA the homeownership assistance for the month when the family moves out.

The family must comply with the following family obligations:

1. The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
2. The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to 24 CFR 982.551 (h) and (i).
3. The family must supply information to the SCHA or HUD as specified in 24 CFR 982.551(b). The family must further supply any information required by HACCC or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
4. The family must submit a 30 day written notice to the SCHA before moving out of the home.
5. The family must notify the SCHA if the family defaults on the mortgage used to purchase the home.
6. No family member may have any ownership interest in any other residential property.
7. The family must comply with the obligations of a participant family.
8. Before commencement of homeownership assistance, the family must execute a statement of family obligations in the form prescribed by HUD. In the statement, the family agrees to comply with all family obligations under the homeownership option.

L. Amount of Monthly Homeownership Assistance

The monthly homeownership assistance payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.

At the commencement of homeownership assistance the payment standard for a family is the lower of either the payment standard for the family unit size or the payment standard for the size of the home.

At reexamination of income the payment standard for a family is the greater of either the payment standard at the commencement of homeownership assistance for occupancy of the home or the payment standard at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.

In determining the amount of the homeownership assistance payment, SCHA will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described in elsewhere in this plan for the Housing Choice Voucher program.

SCHA may pay the homeownership assistance payments directly to the family, or to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, SCHA must pay the excess directly to the family.

Homeownership assistance for a family terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the family. However, the SCHA may grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

1. Homeownership expenses (not including cooperatives) only include amounts allowed by the SCHA to cover:
  - a. Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
  - b. Real estate taxes and public assessments on the home;
  - c. Home insurance;
  - d. SCHA allowance for maintenance expenses.
  - e. SCHA allowance for costs of major repairs and replacements.
  - f. SCHA utility allowance for the home.
  - g. Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if SCHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
  - h. Land lease payments where a family does not own fee title to the real property on which the home is located.



- i. For a condominium unit, condominium operating charges or maintenance fees assessed by the condominium homeowner association.
- 2. Homeownership expenses for a cooperative member may only include amounts allowed by SCHA to cover:
  - a. The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home.
  - b. Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt.
  - c. Home insurance.
  - d. SCHA allowance for maintenance expenses.
  - e. SCHA allowance for costs of major repairs and replacements.
  - f. SCHA utility allowance for the home.
  - g. Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the SCHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
  - h. Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.

M. Portability

Subject to the restrictions on portability included in HUD regulations and the SCHA policies, a family may exercise portability if the receiving PHA is administering a voucher homeownership program and accepting new homeownership families. The receiving PHA may absorb the family into its voucher program, or bill the initial PHA.

The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving PHA must promptly notify the SCHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by PHA.

N. Moving with Continued Assistance

A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.

- 1. The SCHA may deny permission to move to a new unit with continued voucher assistance as follows:
  - a. Lack of funding to provide continued assistance.

- b. At any time, the SCHA may deny permission to move with continued rental or homeownership assistance in accordance with 24 CFR 982.638, regarding denial or termination of assistance.
2. The SCHA must deny the family permission to move to a new unit with continued voucher rental assistance if:
  - a. The family defaulted on an FHA-insured mortgage; and
  - b. The family fails to demonstrate that the family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and the family has moved, or will move, from the home within the period established or approved by HUD.
3. Notice of Move Out and Mortgage Default
  - a. The family must notify the SCHA of its intent to move out of the home by supplying the SCHA with an advanced written thirty-day notice.
  - b. The family will notify the SCHA in advance if any family member who owns, in whole or in part, any ownership interest in the home moves out.
  - c. The family must notify the SCHA if the family defaults on a mortgage securing any debt incurred to purchase the home within fourteen days of default.
4. Denial or Termination of Assistance

At any time, the SCHA may deny or terminate homeownership assistance in accordance with HCV program requirements in 24 CFR 982.552 (Grounds for denial or termination of assistance) or 24 CFR 982.553 (Crime by family members).

The SCHA may also deny or terminate assistance for violation of family obligations described in Section VI of this plan.

The SCHA must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.

Q. Maximum Term of Homeownership

Except in the case of a family that qualifies as an elderly or disabled family, other family members (described below) shall not receive homeownership assistance for more than:

1. Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or
2. Ten years, in all other cases.

3. Has an ownership interest in the unit during the time that homeownership payments are made; or
4. Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.

The maximum term of assistance does not apply to elderly or disabled families. In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

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

N. Compliance With the Mortgage

The family must comply with the terms of the mortgage securing debt incurred to purchase the home, and any refinancing of such debt.

The family must obtain written approval from the SCHA before securing any refinance or equity loan.

During the time the family receives homeownership assistance, no family member may have any ownership interest in any other residential property.

O. Prohibition Against Conveyance or Transfer of the Home

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

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

## SECTION XII

## HCV PROJECT BASED VOUCHER PROGRAM

A. Introduction

The Project-Based Voucher (PBV) program is administered by Public Housing Authorities (PHA) who also administers the tenant-based Housing Choice Voucher (HCV) program. The Shasta County Housing Authority (SCHA) will appropriate no more than 20% of the SCHA Annual Contributions Contract (ACC). PBV is assistance that is tied directly to a unit in an approved project, unlike the HCV program, where assistance is tied to the participant. The policies of the HCV program apply to the PBV program, except where they are specifically altered in this section.

In administering the Project-Based Voucher program, the goals of the Shasta County Housing Authority are to:

1. Attract more affordable developments to the Shasta County Housing Authority's jurisdiction.
2. Increase affordability of housing for families; and
3. Further HUD and the Shasta County Housing Authority goals of deconcentration.

B. Selection of Project Based Voucher Owner Proposals

The Shasta County Housing Authority may use one of the following methods to select owner proposals:

2. Request for Proposal (RFP): Shasta County Housing Authority may issue a competitive request for PBV proposals. An RFP may not be limited to a single site and may not impose restrictions that practically preclude owner submission of proposals for PBV on different sites. The Shasta County Housing Authority will publish an RFP in at least one newspaper of general circulation, as well as post the RFP on the County of Shasta website. The submission deadline will be included in the RFP and a detailed application and selection criteria will be provided to all interested parties.
2. At the discretion of the Shasta County Housing Authority, projects may be selected for PBV assistance using proposals for housing developed using federal, state, or local government housing assistance, community development, or a supportive services program that requires competitive selection of proposals (e.g., HOME, competitively-awarded Low-Income Housing Tax Credit, City of Industry Funds), where the proposal has already been selected in accordance with such program's competitive selection requirements within three years of the Shasta County Housing Authority's PBV selection

date, and the earlier selection proposal did not involve any consideration that the project would receive Housing Authority PBV assistance.

The SCHA will notify the selected owner, in writing, of the owner's selection for the PBV Program. The SCHA will also notify, in writing, all owners that submitted proposals that we're not selected and advise such owners of the name of the selected owner. In addition, the SCHA will publish its notice for selection of PBV proposals in the same newspapers the SCHA used to solicit the proposals. The announcement will include the name of the owner that was selected for the PBV program.

The SCHA will make available, during normal business hours, to any interested party its rating and ranking sheets and documents that identify the SCHA basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. The SCHA will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.

C. Prohibition of Assistance for Certain Units

1. The following types of housing are ineligible under the PBV program:
  - a. Shared housing units.
  - b. Units on the grounds of a penal reformatory, medical, mental, or similar public or private institution.
  - c. Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities).
  - d. Units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students.
  - e. Manufactured homes.
  - f. Transitional housing.
  - g. Owner occupied housing.
  - h. Units occupied by ineligible families.
2. The SHCA may not attach or pay PBV assistance to units in any of the following types of subsidizing housing:
  - a. A public housing unit.
  - b. A unit subsidized with any other form of Section 8 assistance.
  - c. A unit subsidized with any governmental rent subsidy.

- d. A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing.
- e. A unit subsidized with Section 236 rental assistance payments (except that a PHA may attach assistance to a unit subsidized with Section 236 interest reduction payments).
- f. A Section 202 project for non-elderly with disabilities.
- g. Section 811 project-based supportive housing for persons with disabilities.
- h. Section 202 supportive housing for the elderly.
- i. A Section 101 rent supplement project.
- j. A unit subsidized with any form of tenant-based rental assistance.
- k. A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the PHA in accordance with HUD requirements.

D. Number of PBV Units Per Building

The SCHA may only provide Project-Based Voucher assistance to up to 25% of the units in a selected project. Units excepted from this rule are:

- 1. Units that are exclusively for elderly and/or disabled families.
- 2. Units housing households eligible for supportive services available to all families' receiving PBV assistance in the project.

Approved supportive services are intended to help ensure stability and to maximize each tenant's ability to live independently. Support services must be easily accessible and available to the tenant in the PBV assisted project. Approved supportive services may include: general supportive services, education and instructional services, independent living skills, health and medical services, mental health services, substance abuse services, vocational services and services for families.

Support services do not have to be provided by the project. When supportive services are provided, whether on site or not, the following conditions apply: The statement of family responsibility in the lease must contain the family's obligation to participate in the designated service program. Failure of the family to comply is good cause to terminate the family from the program. At least one member of the family must be receiving the supportive service for the unit to remain excepted from the 25% cap.

Services monitoring participant compliance with a supportive service contract will be monitored at least annually. The SCHA will request a status update for the participant's supportive service contract at the anniversary of said contract. The SCHA may request a status update on the supportive service contract more frequently, at its discretion. Providers of supportive services must provide the SCHA any changes to the program within thirty days of when those changes occur. Providers must also immediately report to the Shasta County Housing Authority when a

family fails to meet the supportive service contract requirements. When a family living in an excepted unit fails to meet the requirements of a supportive service contract, and is living in the excepted unit because of the supportive services received, the SCHA will propose termination of the contract. The family will not be issued a voucher to move. The owner and participant will be given a thirty-day notice of the proposed termination of the HAP contract. The owner may at that time terminate the lease and issue an order to vacate by the HAP contract termination date. If a family fails to meet the requirements of the supportive service contract for good cause, as determined by the SCHA, and is qualified to become reinstated in the supportive service program within a reasonable time period, the SCHA may counsel the family on its obligations and allow reinstatement of the supportive service contract.

E. Project Section Criteria

The SCHA may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into an AHAP contract or HAP contract for units on the site, unless the SCHA has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities must be consistent with the PHA Plan under 24 CFR 903 and the PHA administrative plan.

It is the SCHA goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. The SCHCA may grant exceptions, where the SCHA determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in a census tract where:

- a. The PBV development will be located in a HUD-designated Enterprise Zone, Economic Community or Renewal Community.
- b. The concentration of assisted units will be or has decreased as a result of public housing demolition.
- c. The neighborhood is undergoing significant revitalization.
- d. State, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement.
- e. New market rate units are being developed that will positively impact the poverty rate in the area.
- f. There has been an overall decline in the poverty rate within the last five years.
- g. There are meaningful opportunities for educational and economic advancement.
- ~~h. The level of affordable housing units within a jurisdiction the SCHA administers due to the lack of housing availability for the Housing Choice Voucher program will increase.~~

2. Requirements For Selecting Existing and Rehabilitated Housing

The SCHA will select only existing and rehabilitated housing projects that meet the following criteria:

- a. The site is adequate in size, exposure, and contour to accommodate the number and type of units proposed.
- b. Have adequate utilities and streets available to service the site.
- c. Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low income persons.
- d. Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.
- e. Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive. This requirement does not apply to senior projects.

3. Requirements for New Construction Housing

The Shasta County Housing Authority will select only new construction housing projects that meet the following criteria:

- a. The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed.
- b. Have adequate utilities (water, sewer, gas, and electricity) and streets must be available to service the site.
- c. The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- d. The site must not be located in an area of minority concentration unless the SCHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area.
- e. The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- f. The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate.
- g. The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services



equivalent to those found in neighborhoods consisting largely of unassisted similar units.

- h. Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

F. Environmental Review

The SCHA activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The responsible entity is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The SCHA may not enter into an agreement to enter into an AHAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

The SCHA may not enter into an agreement to enter into a AHAP contract or a HAP contract with an owner, and the PHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

The SCHA must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The SCHA must require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

G. Agreement to Enter into the HAP Contract

1. If a rehabilitated or newly constructed project, as defined by regulation, is selected by the Shasta County Housing Authority to receive Project-Based Vouchers, the Shasta County Housing Authority will enter into an Agreement (AHAP) with the owner in the form required by HUD. In the AHAP the owner agrees to develop the contract units to comply with HQS, and the Shasta County Housing Authority agrees that, upon timely completion of the development in accordance with the terms of the AHAP, the Shasta County Housing Authority will enter into a HAP contract with the owner for the contract units. The Shasta County Housing Authority may not pay or enter into an agreement if commencement of construction or rehabilitation occurs after proposal submission. Rehabilitation begins with the physical commencement of rehabilitation activity on the housing. Commencement of construction occurs when excavation of site preparation (including clearing of the land) begins. Delays in completion of rehab/construction may result in termination of the agreement. The SCHA may extend the completion deadline for unforeseen factors outside of the owner's control. The owner must obtain the SCHA approval for any changes in work. If the owner does not do so, the SCHA may set a lower initial rent.
2. The Shasta County Housing Authority may only provide assistance in accordance with HUD subsidy layering regulations and other requirements. The Shasta County Housing

Authority will not enter into an AHAP with the owner until the project has successfully passed a subsidy layering review by HUD or other HUD-approved agency. The owner must certify in the HAP contract that the project has not received and will not receive any other form of public assistance during the life of the HAP contract other than that disclosed in the subsidy layering review.

#### H. Selection of Participants

The SCHA may select families for the PBV program from those who are participants in the SCHA tenant-based voucher program and from those who have applied for admission. Eligibility for admission must be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. The SCHA may not approve a tenancy if the owner (including a principal or other interested party) of the unit is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless needed as a reasonable accommodation. An applicant family must also meet HUD requirements related to current or past criminal activity.

1. An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the SCHA is considered an “in-place family.” These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on the SCHA waiting list. Once the family’s continued eligibility is determined (the SCHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and the SCHA must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements. This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.
2. The SCHA will provide a selection preference when required by the regulation. The SCHA will maintain a separate waiting list for Project Based Vouchers. Applicants on the PBV waiting list are subject to the housing choice voucher program local preferences set forth in Section II of this Plan. ~~The PBV waiting list will have admission preferences that reflect the target population of each project.~~
3. For the VASH program, referrals will be received from the VAMC administering the VASH program in the SCHA jurisdiction. Should the referrals exceed the availability of housing units available, a VASH wait list shall be established and offered on a first come first serve basis.
4. When the Shasta County Housing Authority opens the wait list, applications will be accepted from families for whom the list is open unless there is good cause for not accepting the application. Where the family is determined to be ineligible, the Shasta County Housing Authority will notify the family in writing. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review and explain the process for doing so. Applications must be submitted as indicated in the public notice. Only one application per applicant/social security number will be

accepted; duplicate applications will not be accepted. No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list.

The Shasta County Housing Authority will require families to provide the information on the wait list application that is needed to make an initial assessment of the family's eligibility for assistance and its self-certified preference category designation. Depending on its self-certified preference category designation, a family initially determined to be eligible will be placed on the wait list or in an applicant lottery pool, as specified in the notice. The family will not be required to provide all of the information necessary to establish family eligibility and level of assistance until the family is selected from the waiting list.

If a family refuses an offer of PBV assistance or the owner rejects a family for admission to the owner's PBV units, the Shasta County Housing Authority may remove the family from the PBV waiting list. Such refusal will not affect the family's position on the tenant-based waiting list.

#### I. Information For Accepted Families

When a family accepts an offer of PBV assistance, the Shasta County Housing Authority will provide the family an oral briefing. The SCHA has a mechanism for referring a family that includes a person with mobility impairments to accessible PBV units. Attendance at this briefing is mandatory. The oral briefing will include:

1. A description of how the program works.
2. Family and owner responsibilities.
3. Information packet that contains the following information:
  - a. How the SCHA determines total tenant payment.
  - b. Family Obligations.
  - c. Criminal Activity Policy.
  - d. Applicable fair housing information.
  - e. Housing Quality Standard Inspection information.
  - f. Annual and Interim Recertification Information.

#### J. Leasing of Contract Units

Owners must lease contract units only to eligible families, selected and referred by the Shasta County Housing Authority from the waiting list, during the term of the HAP contract. Owners must develop written tenant selection procedures consistent with the purpose of improving housing opportunities for very low-income families, related to program eligibility and an applicant's ability to perform lease obligations. An owner must notify the SCHA, in writing, within 15 calendar days of any rejected applicant and the grounds for rejection. The owner must comply with 24 CFR part 5, subpart L (Protections for victims of Domestic Violence, Dating

Violence, Sexual Assault, or Stalking). Owners must follow the Shasta County Housing Authority's subsidy standards when leasing units to referred families.

K. Vacancies

The owner must notify the SCHA in writing within 5 business days of learning about any current or expected vacancy in a contract unit. After owner notice, the SCHA will promptly refer a sufficient number of families to the owner to fill the vacancy. If any contract unit has been vacant for at least 120 days, the SCHA may give notice to the owner amending the HAP contract to reduce the number of contract units by the number of units that have been vacant for that period.

L. Tenant Screening

The SCHA may take into consideration any admission criteria outlined in Section III of this Plan in order to screen applicants for eligibility; however, it is the responsibility of the owner to screen applicants for suitability for tenancy. Upon request, the SCHA will provide the owner with the tenant's current and former address, as well as the name and address of the current and/or former landlord, if known. This policy is consistent with information provided to owners under the Housing Choice Voucher program.

M. Housing Assistance Payments Contract

The SCHA must enter into a Housing Assistance Payments (HAP) contract with the owner in order to provide housing assistance payments for eligible families. The SCHA will make housing assistance payments to the owner in accordance with the HAP contract, for contract units leased and occupied by eligible families during the term of the HAP contract. The SCHA will use the most recent HUD-approved form of the HAP contract.

1. Before the HAP contract can be executed, the SCHA will inspect each contract unit in accordance with Section V of this plan. The HAP contract must be executed within 30 days of passed inspections for all units proposed under the HAP contract. By execution of the HAP contract, the owner certifies:
  - a. The owner is and will maintain all contract units in accordance with HQS.
  - b. The owner will provide all services, maintenance, equipment and utilities as agreed to under the HAP contract and in the lease with assisted families.
  - c. Each contract unit is leased to an eligible family and the lease complies with the HAP contract and HUD requirements.
  - d. Members of the assisted family reside in the contract unit and it is their only residence.
  - e. The owner is not a relative of any member of the assisted family.
  - f. The amount of the housing assistance payment is the correct amount due under the HAP contract.
  - g. The rent to owner for each contract unit does not exceed the rent charged by the owner for other comparable unassisted units.

- h. The owner will not receive any other payments beyond the tenant rent and housing assistance payments for the contract unit.
  - i. The family does not own or have any interest in the contract unit.
- 2. The Housing Authority may enter into a HAP contract with an owner for an initial term of not less than one year and not more than fifteen years for each contract unit. The SCHA and owner may agree at any time, including during the initial contract term, to extend the term of the HAP contract for up to fifteen years. Under no circumstances may extensions exceed 15 years cumulatively. The HAP contract may be terminated by the SCHA for insufficient funds. If it is determined there are insufficient funds available to continue to assist all contract units for the full term, the SCHA may give notice to the owner for all or any of the contract units, in accordance with HUD instructions.
- 3. The SCHA may amend the HAP contract to substitute a different unit with the same number of bedrooms in the same project for the previously assisted unit. Prior to the substitution, the SCHA will inspect the proposed substitution unit and determine reasonable rent.

N. Inspections

HQS inspections will be conducted in accordance with Section V(D) of this plan.

- 1. The Shasta County Housing Authority will inspect PBV units at the following times:
  - a. Pre-selection – the SCHA will inspect the proposed site before the proposal selection date. For existing units, units must substantially comply with HQS before the proposal selection date. Units must fully comply before the HAP contract may be executed.
  - b. Pre-HAP contract- SCHA will not enter into a HAP contract until all the units fully comply with HQS.
  - c. Turnover – Before providing assistance to a new family in a contract unit, the SCHA must inspect the unit. The unit must fully comply with HQS before a HAP contract can be executed.
  - d. Annual/Biennial Inspections – The SCHA will conduct inspections on a random sample of at least 20% of contract units in a building every 12-24 months. Turnover inspections are not counted toward annual inspections. If more than 20% of the annual sample fails the HQS inspections, 100% of the contract units in the building must be inspected.
  - e. Other times – the SCHA will inspect PBV units at other times as necessary to insure the contract units are in compliance with HQS and that the owner is providing utilities, maintenance and other services in accordance with the HAP contract.

2. The SCHA will abate and terminate PBV HAP contract for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in Section V of this plan.

O. Leases

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants, the same lease must be used for assisted tenants, except that the lease for assisted units must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD. In case of any conflict between the provisions of the lease or any other agreement between the tenant and the landlord, the requirements of the HUD-required tenancy addendum shall control.”

The SCHA may review the owner’s lease form to determine if the lease complies with state and local law. If the SCHA determines that the lease does not comply with state or local law, the SCHA may decline to approve the tenancy.

1. The lease must specify:
  - a. Names of the owner and tenant.
  - b. Any and all information needed to identify the leased contract unit.
  - c. Term of the lease and any provision for renewal.
  - d. The amount of tenant rent to owner.
  - e. Specification of services, maintenance, equipment, and utilities to be provided by the owner.
  - f. The amount of any charges for food, furniture, or supportive services.
2. If the tenant and owner agree to any changes in the lease, the change must be in writing and must be submitted to the SCHA sixty days prior to the effective date of the change. Such changes may only be made with approval of the SCHA. If the SCHA approves a change in responsibilities for utilities or rent increases, rent reasonableness must then be re-determined. The rent to owner will be re-calculated from the effective date of the change.
3. Grounds for owner termination and eviction reflect the policies outlined in Section VI of this Plan. Except that an owner may not terminate tenancy after the initial term of the lease for business or economic reasons, or to repossess the unit for personal, family, or nonresidential rental purpose. If an owner refuses to renew the lease without good cause, the family will be issued a tenant-based voucher and the unit will be removed from the HAP contract. The lease terminates if the owner terminates the lease for good cause, or the owner and tenant agree to terminate the lease. Owners who wish to terminate a HAP contract by either allowing it to expire or refusing to renew it must give the Shasta County Housing Authority and the tenant proper notice.

P. PHA Terminations

HUD regulations specify grounds for the mandatory termination of assistance. In addition, if a family violates any obligation listed on the Family Obligations form or Criminal Activity Policy the family may be terminated from the PBV program. (See Attachment B and D)

If a family vacates an assisted unit while an owner eviction process is taking place, but before a court decision is made, termination of assistance may occur. The Shasta County Housing Authority will base its decision regarding termination of eligibility on the preponderance of evidence surrounding the eviction and tenant compliance with Family Obligations.

The Violence against Women Act (VAWA) prohibits Housing Authorities from terminating housing assistance and/or tenancy for a family participating in the PBV program due to actual or threatened domestic violence, dating violence, sexual assault or stalking. (See Attachment F and G)

The termination notice will include the effective date of termination of PBV assistance, and or the families eligibility to the rental assistance program, description of the specific reasons for the termination. The termination notice will also include the information necessary for the family to file for an informal hearing regarding the termination of assistance, if they wish to do so.

Q. Current Participant Right to Move With Tenant-Based Voucher

Eligible families may terminate the assisted lease at any time after the first year of occupancy. Families who wish to move must first contact the Shasta County Housing Authority to request a voucher before submitting a lease termination notice to the owner. Once the Shasta County Housing Authority has received a written request for a voucher, the family will be issued a new voucher. If the family terminates the assisted lease before the end of one year, the family relinquishes the opportunity for continued tenant-based assistance. Requests to move for families wishing to port to another jurisdiction must be submitted in writing. If a tenant-based voucher is not available at the time of the family's request, the SCHA will give the family priority to receive the next available opportunity for continued tenant-based assistance.

R. Family Occupancy of Wrong Sized Accessible Unit

If the Shasta County Housing Authority determines that a family is occupying the wrong-size unit or a unit with accessibility features the family does not require, is needed by a family that requires the accessibility features, the Shasta County Housing Authority will offer the family continued assistance in another unit. The Shasta County Housing Authority may offer continued assistance either in another PBV unit or a tenant-based voucher. If the family is given a tenant-based voucher, policies under the Housing Choice Voucher program regarding voucher issuance and expiration will apply. If a family fails to lease a unit with the tenant-based voucher, eligibility and assistance will be terminated upon expiration of the voucher (and any subsequent extensions granted by the Shasta County Housing Authority). If continued assistance is offered in the form of a project-based voucher, the family will have ninety days to move to another unit. If the family fails to move or refuses the offer of continued assistance in another unit eligibility and PBV assistance to the family will be terminated.

S. Determining Rent to Owner

The amount of estimated rent to owner must be included in the Agreement for rehabilitated or newly constructed housing. The actual rent to owner must be determined at the beginning of the

HAP contract term for all types of housing. The amount of rent to owner is re-determined at the owner's request for a rent increase and when there is a 10% or greater decrease in the published FMR. Except for certain tax credit units, the amount of rent to owner must not exceed the lowest of: An amount determined by the SCHA that does not exceed 110% of the FMR (or any exception payment standard approved by HUD), minus the utility allowance; the reasonable rent; or the rent requested by the owner.

T. Payment To Owner

The SCHA will make HAP payments to the owner in accordance with the HAP contract for the months in which the contracted unit is leased to and occupied by an eligible family. If a family moves out of a contract unit, the owner may keep the payment for the full calendar month in which the family moves out. The owner may not keep the payment if the SCHA determines that the vacancy is the owner's fault.

The owner may not require the family to pay charges for any meals or supportive services unless the project is an assisted living development, in which case owners may charge tenants, family members, or both for meals and supportive services. These charges may not be included in the rent to owner and may not be used to calculate rent reasonableness. Nonpayment of such charges is grounds for termination under the lease only in an assisted living development. The owner may not charge tenants or family members extra amounts for items customarily included in the rent or provided at no additional cost for unsubsidized tenants on the premises.



### SECTION XIII.

DEFINITIONS: Definitions of terms are as follows. If at any time, any definition below becomes or is determined to be inconsistent with HUD definitions, HUD definitions apply.

Adult: Person of age 18 or older, or legally emancipated with the capacity to enter into a contract in accordance with State and local law.

Applicant: A family or individual that seeks rental assistance under the program.

Bedroom:

- (a) The determination will be based on the characteristics of the unit rather than the characteristics of the family. The use of the room will not be a consideration in determining the room type.

- (b) A room will be classified as a bedroom if it was designed for use as a bedroom and if it meets the HQS criteria for a living/sleeping room.

Child: Person of age 17 or younger, who is not legally emancipated.

Co-head: A co-head is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one co-head.

Continually assisted: A family is considered to be "continuously assisted" if the family is already receiving assistance from a Federal Housing Program when admitted to the Voucher Program.

Dependent: A family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student.

Family: The term "family" includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- (a) A single person, who may be an elderly person, involuntarily displaced person, disabled person, near-elderly person or any other single person; or
- (b) A group of persons residing together and such group includes, but is not limited to:
  - (i) A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
  - (ii) An elderly family;
  - (iii) A near-elderly family;
  - (iv) A disabled family;
  - (v) A involuntarily displaced family; and
  - (vi) The remaining member of a tenant family. Disabled family means a family whose head (including co-head), spouse or sole member is a person with a disability. Elderly family means a family whose head (including co-head), spouse or sole member is a person who is at least 62 years of age.

Foster Person: Person who is in the legal guardianship of a State, county, or private adoption or foster care agency, yet are cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency.

Gross rent: The contract rent plus the utility allowance factor.

Head of Household: The head of household is the adult member of the household who is designated by the family as head and has the legal capacity to enter into a lease under State/local law. Emancipated minors who qualify under State law may be designated as head of household.

Homelessness: A person or family who lacks a permanent, regular, adequate nighttime residence, or has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill), or an institution that provides a temporary residence for individuals intended to be institutionalized; or a public or private place not ordinarily used as a sleeping accommodation for human beings. A homeless family does not include anyone imprisoned or detained pursuant to Federal, State, or local law or an Act of Congress.

Household: A household is comprised of the assisted family unit and all other members who have been approved by the Housing Authority to live with the family. While live-in aides, foster children and foster adults all may qualify as household members, they are not considered part of the family unit, and therefore are not entitled to benefits under the program.

Housing Quality Standards: The minimum quality standards for housing assisted under the Housing

Choice Voucher program.

Involuntarily displaced family: Families who have been displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Medical Expenses: The Housing Authority will define medical expenses consistent with the Internal Revenue Service (IRS) definition, per IRS Publication 502, "Medical and Dental Expenses (Including the Health Coverage Tax Credit).

Participant: A family receiving rental assistance under the HCV program.

Payment Standard: In accordance with HUD regulations, the payment standard for the family is the lesser of the payment standard allocated to the family based on family composition (subsidy standards) or the payment standard for the size of the unit selected.

Preponderance of Evidence: A preponderance of evidence is evidence that is of greater weight or more convincing than the evidence that is offered in opposition; it is based on the more convincing evidence and its probable truth or accuracy, and not on the amount of evidence. Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

Priority within Rank: Priority among families of equal rank will be determined by date and time of application. In addition, the Housing Authority may designate other local priorities that take precedence over chronology.

TTP: The total tenant payment is the greatest of 10% of the family's gross monthly income, 30% of the family's adjusted monthly income or the minimum rent.

Utility Allowance: In accordance with HUD regulations, a utility allowance schedule is maintained for purposes of establishing the estimated utility costs for utilities and services that are necessary to provide housing that complies with Housing Quality Standards. Revisions to the utility allowance schedule are made according to HUD regulations and requirements.

Visitor: A person(s) who is not a household member, who does not exhibit a pattern of inhabiting the unit on a regular basis and can provide verification of permanent housing elsewhere.

#### SECTION XIV.

#### ATTACHMENTS

The following attachments outline Housing Authority policies and procedures, and are a part of this Administrative Plan:

- A. Family Unification Program Action Plan
- B. Family Obligations
- C. Family Self-Sufficiency Action Plan
- D. Criminal Activity Policy
- E. Informal Hearing Procedure
- F. Violence against Women Act
- G. Shasta County Housing Authority Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault or Stalking
- H. Veterans Affairs Supportive Housing
- I. Code of Conduct
- J. Furthering Fair Housing

# Housing Choice Voucher Program

## Administrative Plan

March 26, 2013

Revised August 6, 2013

Revised December 3, 2013

Revised March 24, 2015

Revised November 3, 2015

Revised July 26, 2016

Revised June 27, 2017

Revised March 5, 2019

Shasta County Housing Authority  
1450 Court Street, Suite 108  
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# SHASTA COUNTY HOUSING AUTHORITY ADMINISTRATIVE PLAN

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## SECTION I.

### STATEMENT OF OVERALL APPROACH AND OBJECTIVES IN ADMINISTERING SECTION 8 HOUSING CHOICE VOUCHER (HCV) PROGRAM

#### A. Establishment of Housing Authority

On May 3, 1971, the Board of Supervisors of the County of Shasta enacted a resolution, which formed the Shasta County Housing Authority (hereinafter referred to as the Housing Authority.) Recognizing the need to assist low-income families to enjoy decent, safe and sanitary housing, the Board named itself Commissioners of the Housing Authority. Subsequent meetings of this body established policies and procedures for operating a Public Housing Authority in accordance with the regulations set forth by the U.S. Department of Housing and Urban Development (hereafter referred to as HUD.)

In October 1975, the Housing Authority was notified that an application for Section 8 Existing Housing had been approved and a County Department was formed to administer the program. Since that time the Housing Authority has assisted many low and moderate-income families, disabled persons and elderly citizens. In addition, excellent working relationships have been established with landlords, realtors and other community service oriented organizations. Housing Authority goals are to assist eligible families to obtain and maintain decent and affordable housing, to enhance their standard of living, to help them become self-sufficient, and assist the local economy.

#### B. Purpose of the Administrative Plan

HUD requires that each Housing Authority have a document known as the Administrative Plan, which describes stances on various policy issues as well as descriptions of specific programs. The Administrative Plan is the guiding document for implementing the Section 8 Housing Choice Voucher (HCV) program. HUD regulations and directives will control in the event that any statement or policy within this Administrative Plan contradicts HUD rules and regulations.

The Housing Authority Board of Commissioners will review and approve any significant deviation or amendment to this Administrative Plan. If a change is not a significant deviation or amendment to the Administrative Plan, the Director of the Housing Authority will review and approve the change.

Definition of Substantial Deviation from the Administrative Plan:

Any change, which fundamentally and significantly alters the mission, goals or objectives of the agency as, stated in the Administrative Plan.

Definition of Significant Amendment or Modification to the Administrative Plan:

Any change which fundamentally and significantly alters the approach to managing programs and providing services that benefit the recipients of the HCV program. This includes the implementation of any new program not identified in the Housing Authority Plan or the elimination of any program currently being administered.

Note: An exception to this definition will be made for any of the above that are adopted to reflect changes in HUD regulatory requirements or Housing Authority program/budgetary limits; such changes will not be considered a substantial deviation or significant amendment. In addition, any discretionary policies, procedures or administrative decisions, which do not negatively affect the majority of the recipients of the program, will not be considered significant amendments or modifications to the Administrative Plan.

C. Programs

The Shasta County Housing Authority administrative plan is applicable to the operation of the Housing Choice Voucher program. Policies in the administrative plan are applicable to families who participate in the Housing Choice Voucher (HCV) Program, Veterans Assisted Supportive Housing (VASH) Program, Family Unification Program (FUP), Family Self-Sufficiency (FSS) Program, Mainstream Voucher Program, Manufactured Homes Program, Homeownership Program and the Project-Based Voucher (PBV) Program.

~~C.D.~~ Jurisdiction

The Shasta County Housing Authority jurisdiction for administering the Housing Choice Voucher program includes: the unincorporated areas within Shasta County, the cities of Anderson and Shasta Lake in Shasta County and the counties of Modoc, Siskiyou, and Trinity.

## SECTION II.

### RECEIPT OF APPLICATIONS AND ESTABLISHMENT OF A WAIT LIST

#### A. Public Notice to Very Low Income Families

The Housing Authority shall make known to the public, through publication in a newspaper of general circulation, as well as through minority media and other suitable means, the availability and nature of housing assistance for very low income families, including assistance with respect to units already occupied by the family if the units qualify as existing housing. The notice will indicate when the wait list will open/close, where to apply, how to apply as well as give other pertinent information needed to ensure all persons interested in applying may do so.

A family initially determined to be eligible will be placed on the wait list or in an applicant lottery pool, as indicated in the notice. (Because of limited HCV assistance, not all families in an applicant lottery pool may be selected for placement on the waiting list. The Housing Authority will indicate how many applicants from the applicant lottery pool will be placed on the waitlist list in its notice.)

#### B. Receipt of Applications

When the Housing Authority opens the wait list, applications will be accepted from families for whom the list is open unless there is good cause for not accepting the application. Where the family is determined to be ineligible, the Housing Authority will notify the family in writing. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review and explain the process for doing so. Applications must be submitted as indicated in the public notice. Only one application per applicant/social security number will be accepted; duplicate applications will not be accepted. No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list.

The Housing Authority will require families to provide the information on the wait list application that is needed to make an initial assessment of the family's eligibility for assistance and its self-certified preference category designation. Depending on its self-certified preference category designation, a family initially determined to be eligible will be placed on the wait list or in an applicant lottery pool, as specified in the notice. The family will not be required to provide all of the information necessary to establish family eligibility and level of assistance until the family is selected from the waiting list.

Regardless of whether or not the wait list is open, families in the following three categories shall be eligible for placement on the wait list at all times:

1. Families who have been involuntarily displaced (within no more than six months from the date of preference verification) by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster occurring within Shasta County Housing Authority jurisdiction, as declared by the Governor of the State of California or due to extensive damage as a result of a federally-declared disaster (as listed with the Federal Emergency Management Agency (FEMA)), pursuant to Federal disaster relief laws.
2. Families determined to be eligible for the Family Unification Program (FUP) (Attachment A.)

3. Families referred by the Shasta County Community Action Agency HOME Tenant Based Rental Assistance (TBRA) program, up to the limitation of referrals as indicated in this document.

C. Establishment of a Wait List

Only complete applications submitted by persons age 18 and older or emancipated minors, at the time the application is submitted, will be accepted. Applications will not be accepted unless completed sufficiently so that correct placement on the wait list can be determined. Applications submitted without sufficient information for placement on the wait list, applications submitted by minors and applications that do not contain the social security number of the applicant will be sent a letter of denial. The denial letter will include direction for submitting a request for an informal review. In cases where two wait lists overlap, applications on the pre-existing wait list will be processed before applications from the new wait list.

Placement in the applicant lottery pool, if any, or on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the waiting list.

D. Special Admissions and Wait List Admissions

Special Admissions: A Special Admission is an admission of an applicant not on the Housing Authority wait list or admission without considering the family's position on the wait list when HUD awards funding that is targeted for certain families.

FUP: Family Unification Program. (See Attachment A.) Since the Family Unification Program is a special admission for assistance, placement onto the wait list will only occur if an FUP slot is not immediately available for the family. In this case, the family will be placed on the wait list until a slot becomes available. (See Attachment A.) (Applicable to Shasta County residents only.)

VASH: Veterans Affairs Supportive Housing. (See Attachment H.) Since the VASH program is allocated for a specific number of slots, those slots will be filled until the number has been exhausted. No wait list will be maintained for the VASH program.

Wait List Admissions: Priority in the selection of families from the wait list for the issuance of Vouchers will be determined based on the family's preference designation, as follows:

2. Due to funding constraints, it may become necessary to terminate participant families from the Shasta County HCV program. (See Section VI, F.) In this event, the families terminated from the program by Shasta County Housing Authority will have their name added to the HCV wait list, with priority, according to their original wait list application date. (50 points)
3. Families referred by Shasta County Community Action Agency who are currently assisted by the HOME TBRA Program who will exhaust HOME TBRA program assistance and who reside or work within the Housing Authority jurisdiction and are either 1) families with dependents, or 2) families whose head, co-head or spouse is elderly, or 3) families whose head, co-head or spouse is disabled. The Housing Authority

limits the number of families that are admitted using this preference to 40 families per calendar year. (50 points)

4. Families who have been involuntarily displaced (within no more than six months from the date of preference verification) by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster occurring within Shasta County Housing Authority jurisdiction, as declared by the Governor of the State of California or due to extensive damage as a result of a federally-declared disaster (as listed with the Federal Emergency Management Agency (FEMA)), pursuant to Federal disaster relief laws. (50 points)

~~4.5.~~ Families who are disabled non-elderly, between the ages of 18-61, and who are transitioning out of institutional or other segregated settings, at serious risk of institutionalization, homeless, or at risk of becoming homeless. (45 points)

~~5.6.~~ Families with dependents and families whose head, co-head or spouse is elderly and/or disabled who reside or work within the Housing Authority jurisdiction. (40 points)

~~6.7.~~ Families with dependents and families whose head, co-head or spouse is elderly and/or disabled who do not reside or work within the Housing Authority jurisdiction (30 points)

~~7.8.~~ Other applicants not described above, who reside or work within the Housing Authority jurisdiction. (20 points)

~~8.9.~~ Other applicants not described above who do not reside or work within the Housing Authority jurisdiction. (10 points)

#### E. Preference Verifications

1. Preference designation as listed above for each application will be assigned at the time the application is received. Changes to the preference designation of an application while on the wait list can be made in the event that the applicant submits written information regarding changes to the application.
2. Verification of all preferences will be required at the time that eligibility for assistance is determined (when the applicant name comes to the top of the wait list). If the applicant no longer qualifies for the assigned preference previously indicated on the application or application update form, but is apparently eligible for the program otherwise, the application may be returned to the wait list without the benefit of the preference.
3. For the purpose of determining a preference for families who reside in the Housing Authority's jurisdiction, residency is based on where the family lives or stays the majority of the time immediately prior to being issued a letter initiating eligibility determination with the exception noted in item 5, below. Evidence of residency will be determined by the Housing Authority based on verifications such as rent receipts, utility statements, wage information, school records and assistance benefit issuances by other agencies.
4. If an applicant indicates they are homeless, the applicant family must provide verification of their homelessness status. Verification of homelessness can be obtained from a public or private agency providing shelter to the family, a public or private agency or business

who can verify the family's living situation or from local police or a social service agency.

5. Families who indicate they have been displaced by government action or whose dwelling has been extensively damaged or destroyed (within no more than six months from the date of preference verification) as a result of a disaster must provide proof of residency in the affected jurisdiction during the time of the disaster, as well as written verification by the displacing unit or government agency, FEMA or a service agency such as the Red Cross.

Note: The use of a preference will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant family.

F. Denial of Preference

When the Housing Authority determines that a family does not qualify for a requested preference, the family has the right to meet with a Housing Authority representative to review the decision. The family may request the meeting verbally or in writing. Any person designated by the Housing Authority may conduct this meeting. The family has no further right for appeal beyond this process.

G. Removal from Wait List / Denial of Wait List Application

Following are reasons families may be removed from the wait list or have their wait list application denied. In the event that a family's application is removed from the wait list, the family must reapply in order to be placed on the wait list again. (See Section III, C. for information on the denial of assistance at time of application.)

1. The Housing Authority has sent an inquiry letter to the family in an effort to update the wait list and has notified the family of their responsibility to respond to the letter by a particular date and the family has failed to do so. (The Housing Authority will periodically update/purge its wait list to ensure that the pool of applicants reasonably represents the interested families for whom the Housing Authority has current information, i.e. applicant's address, family composition, income, preferences.)
2. If the Housing Authority sends notification of the Housing Authority's intention to determine the family's eligibility for the program and has notified the family of their responsibility to respond by a particular date and the family has failed to do so.
3. If the family is notified of their denial of eligibility and the right to an informal review but does not request an informal review by the date indicated on the notification, or if after an informal review, the family is determined to be ineligible. (See III. D.)
4. Failure of the family to supply required information or otherwise comply with the eligibility process or accept assistance under the program at the time eligibility is offered.
5. If a family requests, in writing, to have their name taken off the wait list.
6. If a family submits a wait list application but it is determined that they are not income-eligible for assistance.

7. If any letter is returned by the post office with or without a forwarding address, the applicant will be removed from the wait list.

Note: It is the responsibility of the Housing Authority to move forward with determination of eligibility at the time that an applicant reaches the top of the wait list and a voucher is available. Applicants are responsible for updating contact information by reporting in writing any changes in the family's mailing address.

However, in the event that a family does not respond as required, or if the letter is returned by the post office as undeliverable, the applicant may request that the original application be returned to the wait list, as opposed to submitting a new application. Reinstating an application may only occur if the applicant requests reinstatement in writing within 60 days from the date of the letter and it is a reasonable accommodation for a person with a disability or if the Housing Authority determines that there were circumstances beyond the applicant's control which prevented the applicant from promptly replying.

The decision to reinstate the original application or require the applicant to submit a new application is at the sole discretion of the Housing Authority. Reinstatement of an original application for this reason will only be granted one time. Thereafter, a new application for assistance must be completed. The Housing Authority cannot guarantee the availability of a voucher in the future.



## SECTION III.

## SELECTION AND ADMISSION OF FAMILIES

A. Selection of Families from the Wait list

1. When funds are available, eligibility letters will be sent to families by order of placement on the wait list. Eligibility letters will inform the family that they must contact the Housing Authority within a specific timeframe in order to start the eligibility process.
2. Eligibility for initial assistance will be based on the household members listed on the initial questionnaire form submitted to the Housing Authority during the eligibility process. Additional household members may not be added to the certification/recertification form while the eligibility process for a Voucher is in process, unless the person to be added is the result of a birth, adoption, foster care placement, marriage or as a reasonable accommodation for a disabled household member.. At the discretion of the Housing Authority, it may be allowed for a biological parent of a child in the family to be added during the eligibility process.
3. To be income eligible, the applicant must be a family in any of the following categories:
  - a. An 'extremely low income' family
  - b. A 'very low income' family
  - c. A 'low income' family that is 'continuously assisted' under the 1937 Housing Act;
  - d. A 'low-income' family that meets additional eligibility criteria specified by the Housing Authority.
4. If a family is determined to be eligible for the program, they will be scheduled for a briefing, at which time a Voucher will be issued. The Housing Authority must provide a Voucher within 60 days of the date the Housing Authority receives information needed to verify the eligibility of a family.
5. If a family is determined to be ineligible, they will be sent a letter stating such and will be informed of their right to an informal review of the denial.
6. If a family is determined eligible for a residency preference (See Section II, D., 2 and 4) based solely on the fact that they 'work' within the Housing Authority jurisdiction and the family is granted a Voucher for participation, the family must enter into an assisted lease within the Housing Authority jurisdiction for at least one year before they are eligible to move to another Housing Authority. If a family is determined eligible for a federally declared disaster preference, but does not reside or work in the Housing Authority's jurisdiction at time of eligibility determination, the family must enter into an assisted lease within the Housing Authority jurisdiction for at least one year before they are eligible to move to another Housing Authority. If a family is determined eligible, receives a voucher and does not live or work in the Housing Authority jurisdiction the family must enter into an assistance lease within the Housing Authority jurisdiction for at least one year before the family is eligible to move to another Housing Authority.

B. Family Unification Program

The Housing Authority will operate a Family Unification Program (FUP) in coordination with the ~~Shasta County~~ Department of Social Services. The Family Unification Program provides Vouchers to families who have been or may be separated due to lack of adequate housing. Family Unification Program families must be referred by the ~~Shasta County~~ Department of Social Services.

The Family Unification Program baseline effective June 14, 2012 is six (6) units. The Vouchers will, to the extent practicable, be reissued to FUP-eligible families upon turnover. Once the baseline is reached, Housing Authority obligation will be met. However, additional Vouchers may be issued to eligible families, at the discretion of the Housing Authority, based on available funding. The Family Unification Program Action Plan is included as Attachment A.

C. Denial of Assistance

HUD regulations specify grounds for the mandatory denial of assistance, such as prohibiting admission to the Housing Authority's HCV program if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program and prohibiting admission to the Housing Authority's HCV program if any household member has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing.

(Note: The Housing Authority has access to a national database covering sex offender registries in all states and will use this method in verifying sex offender registrants. If the information is not available in the national database but the Housing Authority has reason to believe a person to be a registrant, contact with law enforcement authorities will be made.)

Additional grounds for denial of assistance include the following:

1. No applicant will be admitted to the HCV program if they owe monies to any Housing Authority unless repayment is made in full. Repayment must be made in full within 30 days of notice to the applicant or the application will be denied.
2. No applicant will be admitted if it is determined by the Housing Authority that the applicant is reporting fraudulent information or providing fraudulent verifications to the Housing Authority during the eligibility process. The act of reporting information or providing verifications to the Housing Authority which contradicts information or verifications provided to other agencies or institutions is considered fraudulent in nature and is reason for denial.
3. The applicant will be provided three opportunities to attend an initial program briefing. If the applicant does not attend any of the three scheduled briefings, they will be denied assistance and will have to reapply to the wait list.
4. If a family had been terminated from the HCV program in the past for a violation of a provision of the 'Family Obligations' form (see Attachment B.), any subsequent applications for assistance by any adult family member who had signed the Family Obligations form will be denied for a period of three years from the date of the termination of participation.

5. Any violation of the Criminal Activity Policy (See Attachment D.) However, the Housing Authority may reconsider eligibility if the family agrees to remove the culpable member who participated in or were culpable for an action which resulted in the denial of assistance from the application. As a condition of receiving assistance, the head of household must certify that the family member will not be permitted to live, visit or stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon request. If a violation of the Criminal Activity Policy is found, the family will have the opportunity to dispute the accuracy and relevance of the criminal record before assistance in the Section 8 Rental Assistance program is denied.

D. Informal Review

A family that applies to the program and is denied assistance has a right to an informal review of that decision. The family must request the informal review, in writing, and the Housing Authority must receive it within ten calendar days of the date of the denial letter. The review may be conducted by any person designated by the Housing Authority, with the exception of the person who made the decision or a subordinate of that person.

The family may present written or oral objections to the decision. Following the informal review, the Housing Authority will notify the family in writing of the Housing Authority decision and the reason for that decision.

A review will not be offered if the family's objection is that they cannot apply because the wait list is closed.

## SECTION IV.

## ISSUANCE OF VOUCHERS FOR ELIGIBILITY

A. Term of Voucher

Each Voucher issued will be valid for a period of sixty days. A Request for Tenancy Approval form must be submitted, fully completed and signed, no later than the expiration date of the Voucher. If the expiration date falls on a weekend or holiday, the Request for Tenancy Approval form will be accepted no later than 4 p.m. on the following working day. Incomplete or unsigned Request for Lease Approval forms will not be accepted. If the appropriate lease documents are not submitted by the family by the expiration date of the Voucher, the Voucher will expire. If the family who's Voucher has expired still wishes to participate in the HCV program, the family would have to reapply to the wait list when applications are being accepted.

Under special circumstances, the Housing Authority may authorize one additional 30-day extension. Requests for an extension must be made in writing and be submitted to the Housing Authority office, before the Voucher expires and will be granted at the Housing Authority's sole discretion. The following circumstances will be taken into consideration when evaluating an extension request: medical conditions of household members, efforts made by the household during the initial term of the voucher in finding a unit, and current funding utilization level.

The Housing Authority will brief each family in accordance with the Housing Authority Equal Opportunity Plan. The Housing Authority will also brief the family on the applicable standards, determination of the Housing Assistance Payment, and the minimum and maximum rent the family may pay. Each family shall be advised that it may select a unit within this operating jurisdiction. Families will also be advised of the HUD regulations regarding portability. The family will be given a housing Voucher packet along with a Voucher and the lease documents for initiating the leasing process.

B. Suspension of Outstanding Vouchers

In the event that it becomes necessary to suspend outstanding Vouchers due to limited program funding, the order of suspending Vouchers will occur as follows:

1. Vouchers issued to applicants who have not yet submitted a Request for Tenancy Approval to the Housing Authority office.
2. Vouchers issued to applicants who have submitted a Request for Tenancy Approval to the Housing Authority office but have not yet had the final lease up documents initiated between the Housing Authority and the landlord.
3. Vouchers issued to participants who have not yet submitted a Request for Tenancy Approval to the Housing Authority office.
4. Vouchers issued to participants who have submitted a Request for Tenancy Approval to the Housing Authority office but have not yet had the final lease up documents initiated between the Housing Authority and the landlord.

Those families whose Vouchers are suspended for this reason will be placed on the HCV wait list in the order of original application date, behind those families, if any, that have had their HAP

contracts terminated under Section VI, F.

C. Responsibility of Voucher Holder to Find a Unit

Each family shall be responsible for finding a unit suitable to their needs and desires in any area within the jurisdiction of the Shasta County Housing Authority, or the family may utilize portability, if eligible. The family may select the dwelling they already occupy or may choose a new dwelling unit.

However, if the family did not have legal domicile in the Housing Authority jurisdiction at the time they came to the top of the wait list, the Housing Authority will not afford the family the right to exercise portability until the family has been assisted for at least twelve months in the Housing Authority's jurisdiction.

D. Incoming Portability Families

When a family who has transferred from another jurisdiction to the Housing Authority jurisdiction, a Voucher will be issued with an expiration date of 30 days after the expiration date of the Voucher issued by the initial Housing Authority, in accordance with HUD regulations regarding portability. If the initial Housing Authority issues a Voucher for less than sixty days, the Housing Authority will extend the term up to sixty days. Any additional extension will be granted based on Housing Authority extension guidelines. (See Section IV, A.) The Housing Authority has the right to absorb the family into the Housing Authority program or administer the family's eligibility and bill the initial Housing Authority, in accordance with HUD regulations.

E. Outgoing Portability Families

If a family who has been issued a Voucher by the Housing Authority is eligible to move and wishes to transfer to another Housing Authority's jurisdiction, the Housing Authority will determine if the transfer is feasible, based on the Housing Authority's current funding limitations.

If the Director of the Housing Authority determines that there may not be sufficient funding to support all families on the program, the family's right to transfer their case will be limited, as follows. The family may only be approved to move to a Housing Authority who will either absorb the case or one who will afford a payment standard for the family that is equal to or less than the Shasta County Housing Authority's payment standard for the family.

If the family's case is transferred, the receiving Housing Authority may either absorb the family into their own program or administer the family's eligibility. If the receiving Housing Authority administers the family's eligibility, reimbursement to the receiving Housing Authority will be processed, in accordance with HUD regulations.

If the family owes the Housing Authority money, the Housing Authority will not allow the family the right to move to another jurisdiction under portability unless the debt is paid in full before the family's Voucher expires.

F. Subsidy Standards

Subsidy standards are the standards used to determine the appropriate subsidy for families of different sizes and compositions. The subsidy standards do not indicate who must share a sleeping/living area.

The Housing Authority will issue each housing Voucher a subsidy standard based on family composition. The family chooses a unit they would like to rent, subject to restrictions against overcrowding and in accordance with HUD requirements.

An exception to the subsidy standards may be granted if the Housing Authority determines that the exception is justified due to special needs of the family member(s). For example, an exception may be based on the need for an extra bedroom to store or utilize medical equipment, or to accommodate a family member with a disability or medical condition. Documentation will be required. If an exception to the subsidy standards is granted due to special needs of the family member(s), the continued need for the exception will be evaluated periodically.

At the time the Voucher is issued, no additional household members will be approved by the Housing Authority unless due to birth, adoption, foster care placement or marriage or as a reasonable accommodation for a disabled household member. At the discretion of the Housing Authority, it may be allowed for a biological or legal parent of a child in the family to be added.

Effective February 1, 2014, subsidy standards are based on the following guidelines:

1. One bedroom will be allocated for every two household members, regardless of the age, sex, or relationship of the household members.
2. The unborn of a pregnant woman will be considered in determining a subsidy standard If there are no other family members in the home other than the pregnant woman (and spouse/co-head or significant other, if applicable.)
3. A child who is temporarily away from the home (see Section VI, D., 2) because of placement in foster care is considered a member of the family in determining the subsidy.
4. A live-in-aide will also be considered when determining subsidy standards, according to HUD regulations. An approved live-in aide and their family members may reside in the unit as long as their presence does not overcrowd the unit (more than two persons per sleeping/living space). Note: Unless a live-in aide lives with the family, the subsidy size for any family consisting of a single person will always be a one-bedroom unit. When determined necessary, the continued need for a live-in aide will be reevaluated periodically.
5. Persons residing in the home for less than 50% of the time will not be considered members of the household and, therefore, not considered when determining subsidy standard. Evidence of percent of residency in the home will be determined by the Housing Authority based on verifications such as court orders, tax returns, school records and assistance benefit issuances by other agencies.

G. Request for a Reasonable Accommodation

If a member of a family has a disability and a request is made either verbally or in writing for a reasonable accommodation for the disability, the Housing Authority will consider the request if it does not conflict with regulations set forth by HUD for administering the HCV program.

~~The Housing Authority must have verification that the family member is determined to be a disabled person, as defined by HUD. It then must be determined that the accommodation is~~

~~needed due to the family member's disability and that the accommodation will enable the family member equal access to the program. If the Housing Authority determines that the accommodation creates an undue administrative or financial burden, the Housing Authority may deny the request and/or offer alternative solutions to meet the needs of the family member.~~

~~In the event that a family requests a reasonable accommodation to rent a unit from a relative due to a family member's disability, the justification must indicate the reasons the particular unit better meets the needs of the disabled family member rather than a similar unit. The determination that the need for a reasonable accommodation exists may be reevaluated at each annual recertification.~~

~~In the event that a family requests a reasonable accommodation for an extension for requesting an informal hearing, the request must be provided to the Housing Authority office within 30 days of the date of termination. The Housing Authority will determine if the family does include a person(s) with disabilities and whether or not the disabilities affected the family's ability to request an informal hearing within the 10 day period.~~

The SCHA may ask the family to make its request in writing using a reasonable accommodation request form provided by SCHA. However, the SCHA will consider an accommodation request any time a family indicates that an accommodation is needed, regardless of whether the request is submitted in writing, and regardless of whether the request is submitted on the SCHA Reasonable Accommodation form.

The family must explain what type of accommodation is needed to provide the person with the disability full access to the SCHA programs and services.

If the need for the accommodation is not readily apparent or known to the SCHA, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable relationship, or nexus, between the requested accommodation and the individual's disability.

The request for a reasonable accommodations/reasonable modifications need not use a specific written form and need not mention the Fair Housing Act, Section 504, or the ADA, or use the phrase "reasonable accommodation" or "reasonable modification." Requests for accommodation will be evaluated and decided upon by the Section 504 Coordinator.

Before providing an accommodation, the SCHA must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to the SCHA programs and services.

If a person's disability is obvious or otherwise known to the SCHA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required.

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the SCHA, the SCHA 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.

The SCHA must approve a request for an accommodation if the following three conditions are met:

1. The request was made by or on behalf of a person with a disability.
2. There is a disability-related need for the accommodation.
3. The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden

Requests for accommodations must be assessed on a case-by-case basis, taking into account factors such as the cost of the requested accommodation, the financial resources of the SCHA at the time of the request, the benefits that the accommodation would provide to the family, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve or deny the request, the SCHA may enter into discussion and interact with the family, request more information from the family, request an inspection of the unit be performed or may require the family to sign a consent form so that the SCHA may verify the need for the requested accommodation.

After a request for an accommodation is presented, the SCHA will respond, in writing, within 15 business days.

If the SCHA denies a request for an accommodation because it is not reasonable or the accommodation lacks a nexus, a denial notice will be mailed to the household. The denial notice will inform the family of the right to appeal the SCHA decision through an informal hearing (see Section VI of this plan).

If the SCHA denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden, the SCHA will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the HCV program and without imposing an undue financial and administrative burden. The denial notice will inform the family of the right to appeal the SCHA decision through an informal hearing (see Section VI of this plan).

If the SCHA believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, the SCHA will notify the family, in writing, of its determination within 15 business days from the date of the most recent discussion or communication with the family and the family will have the right to appeal the SCHA decision through and informal hearing (see Section VI of this plan).

In the event that a family requests a reasonable accommodation to rent a unit from a relative due to a family member's disability, the justification must indicate the reasons the particular unit better meets the needs of the disabled family member rather than a similar unit. The determination that the need for a reasonable accommodation exists may be reevaluated at each annual recertification.

In the event that a family requests a reasonable accommodation for an extension for requesting an informal hearing, the request must be provided to the Housing Authority office within 30 days of the date of termination. The Housing Authority will determine if the family does include a person(s) with disabilities and whether or not the disabilities affected the family's ability to



~~request an informal hearing within the 10-day period.~~

In the event that a person(s) with a disability makes a request, as a reasonable accommodation, of an extension of the 10-day deadline for requesting an informal hearing, the request must be provided to the Housing Authority's office within 30 days of the date of termination. The Housing Authority will determine if the family does include a person(s) with disabilities and whether it not the disabilities affected the family's' ability to request an informal hearing within the 10-day period.

## SECTION V.

### LEASING A UNIT

#### A. Assistance to the Family in the Case of Alleged Discrimination

The Housing Authority will provide assistance in finding a unit for any family, which alleges that discrimination is preventing them from locating a suitable unit. When requested, the Housing Authority will provide information to the family in regards to filing a claim for illegal discrimination regarding housing. Assistance will also be provided in finding units for those families who, because of age, handicap or other reasons are unable to locate acceptable units.

#### B. Leasing Process

The family must request that the Housing Authority initiate the leasing process for a particular unit by submitting the required lease documents to the Housing Authority, which includes the Request for Tenancy Approval (RFTA) form. The Housing Authority will review the lease documents and discuss the program with the owner. If the information on the unit complies with the limits of the particular family, an inspection of the unit will be scheduled. Once a RFTA has been submitted for approval, the unit must be available for the initial inspection within thirty (30) days from the date of the receipt of the RFTA form. When the unit passes inspection, appropriate lease documents will be prepared.

The beginning date of the Contract and Lease will be the first day of the month on or after the unit passes inspection and the tenant has taken possession of the unit.

The unit must pass an initial Housing Quality Standards inspection before the Housing Assistance Payments Contract can begin. The Housing Authority is not responsible for any payment to the landlord prior to the execution of the Housing Assistance Payment Contract.

#### C. Rent Reasonableness

The Housing Authority will conduct a comparability study to determine if the rent being requested by the landlord is reasonable compared to other similar, unassisted units in the area. This comparability study will be performed in accordance with HUD regulations, which includes studies at initial leasing of a unit and at any time that the landlord requests a rent increase. The Housing Authority may also re-determine rent reasonableness at its discretion to monitor compliance with HUD regulations.

The requested rent amount will be compared to at least two similar unassisted units within the immediate area. If comparable units are not located within the immediate area, units located in the near vicinity may be used. Documentation of the comparability study will be kept in the case file. In the event that the Housing Authority cannot locate similar unassisted units that compare to the rent being requested by the landlord, the Housing Authority will offer the opportunity for the landlord to provide such comparables. If the landlord does so, the Housing Authority will verify whether the comparables are adequate.

The following may be taken into account: location, unit size, unit type, unit age, amenities, facilities, services and utilities to be paid by the owner. The Housing Authority solicits information from local landlords regarding the rents being charged for unassisted units. The Housing Authority may also use local agencies and real estate publication services. The Housing

Authority may also use data collected from public advertisements. Other factors which may be considered will include the Fair Market Rent (FMR) as published by HUD annually; Fair Market Rents are housing market-wide estimates of rent plus utility costs and are established on an area basis by HUD.

#### D. Housing Quality Standards Inspections

The term, Housing Quality Standards, refers to the minimum quality standards for housing assisted under the HCV program in accordance with HUD regulations.

##### 1. Inspection of Contracted Units will occur:

- a. Prior to execution of a rental assistance contract and at least once every 12-24 months thereafter, unless otherwise specified by HUD;
- b. At the request of the family, or upon complaint by the family of uncorrected deficiencies, which may develop during the lease/contract term;
- c. At the request of the owner due to a concern by the owner or to document the condition of a unit at the time the tenant vacates the unit;
- d. At the Housing Authority's discretion due to a complaint regarding the condition of the unit or as required by law enforcement or HUD;
- e. As a Housing Quality Control measure, a sampling of units is inspected annually on a random basis by a qualified inspector other than the person who regularly performs inspections. (The minimum size of the Housing Authority quality control sample is determined in accordance with HUD regulations); and
- f. All inspections will be scheduled, in advance, by contact with the family. A 24-hour notice will be given unless the family agrees to a shorter time frame. If a contact cannot be made with the family directly, a letter will be sent to the family indicating the date and time of the inspection.

##### 2. Notification of Inspection Determinations

The landlord and family will be notified in writing of any deficiencies noted during inspections. Deficiencies which receive a "Fail" rating, in accordance with HUD's Housing Quality Standards, will require correction within a specified time frame, as indicated in the notification letter. If ~~the~~ fail items are not corrected as required, rental assistance payments may be ~~suspended~~ abated until the fail items are corrected or the Housing Assistance Payment Contract may be terminated.

The correction of fail items may be documented either by a re-inspection by Housing Authority staff or by the owner's written certification, a receipt from a vendor, a photo of the repair or tenant confirmation that the repairs are complete. The Housing Authority will determine whether a Housing Authority re-inspection or landlord/tenant certification will be needed, based on the number and severity of the fail items.

#### 3. Owner and Family Responsibilities

a. Family Responsibilities

The family is responsible for correcting the following HQS deficiencies:

1. Tenant paid utilities not in service
2. Failure to provide or maintain appliances owned by the family
3. Damage to the unit or premises caused by a household member or guest beyond normal wear and tear.

b. Owner Responsibilities

Owners are responsible to the PHA for compliance with all HQS items except those specifically stated above as family responsibilities.

## SECTION VI.

### POLICIES FOR PARTICIPATION

#### A. Unit Occupancy

##### 1. Change in Family Size

- a. When a family size increases to the extent that there are more than two persons per living/sleeping area, the family will be determined to be overcrowded for the unit. In this event, a notice of Housing Assistance Payment contract termination will be provided to the family and the landlord at least thirty days in advance of the termination of the HAP Contract. Assuming the family remains eligible for the program, the family will then be issued a Voucher of appropriate size and will be required to move to an appropriately sized unit in order to retain HCV eligibility.
- b. When the family size decreases to the extent that the current Voucher size is no longer appropriate, the family is over housed. Effective the next annual recertification following the decrease in family size, Voucher holders will have their payment calculated based on the appropriate payment standard for the family size at that time.
- c. The family must not allow anyone to move into the assisted unit without prior approval by both the Housing Authority and the landlord. During the initial year of a HAP Contract and Lease, no new household members will be approved by the Housing Authority unless due to birth, adoption, foster care placement or marriage or as a reasonable accommodation for a disabled household member. At the discretion of the Housing Authority, it may be allowed for a biological parent of a child in the family to be added during the initial year of the HAP Contract.
- d. If the landlord does not approve a person to be added to the household, the Housing Authority will not approve the person(s) to be added to the family's assistance case at that assisted unit. If the additional person(s) move into the unit without approval, termination of family assistance may result.

##### 2. Moving within the Housing Authority's Jurisdiction:

The family's eligibility to move with continued assistance is at the discretion of the Housing Authority. Factors to consider include:

- a. the family's eligibility for continued assistance;
- b. the family's compliance with Family Obligations while participating in the HCV program;
- c. available program funding;
- d. verification that any debt due to any Housing Authority has been paid

A full reexamination of family income and composition will be completed prior to the issuance of a moving Voucher unless a full reexamination was completed not more than 60 days prior to the date of issuance of a Voucher to move. The Housing Authority reserves the right to deny a family's request to move with continued assistance if the family owes money to the Housing Authority.

The family may not move during the initial year of assisted occupancy in a unit without prior written approval from both the Housing Authority and the landlord. The Housing Authority will only approve a move in the first year of the assisted tenancy in a unit due to extenuating circumstances which are beyond the family's control including, but not limited to health issues; participants who can document that they are a victim of domestic violence, dating violence or stalking; participants who can document that they are a victim of activity which threatens the health and safety of the family members.

If the Director of the Housing Authority determines that there may be a possibility of the termination of families from the HCV program due to funding constraints, the family may be denied the right to move with continued assistance, as follows. If a participant family has already been issued a Voucher to move but the lease up process in a new unit has not yet been finalized, the Voucher may be rescinded. If a participant family is in the process of being issued a Voucher to move, the family will not be issued a Voucher until further notice. In both cases, the families will have their name added to the HCV wait list, with priority, according to their original wait list application date, so that assistance can be offered to the family once funding does become available.

3. Change of Ownership Due to Lender Foreclosure of Unit

The Housing Authority will make all reasonable efforts to determine the status of the ownership of a property when it is made known that the property is in the process of foreclosure, which includes, 1) Continuing to make payments to the original owner until ownership legally transfers in accordance with the HAP contract, 2) Attempt to obtain a written acknowledgement of the assignment of the HAP contract from the successor in interest, 3) Inform the tenant that they must continue to pay rent in accordance with the lease, 4) Inform the tenant if the Housing Authority is unable to make HAP payments to the successor in interest, due to an action or inaction by the successor that prevents such payments (e.g., rejection of payments or failure to maintain the property according to HQS), or due to an inability to identify the successor, 5) Inform the tenant of continued eligibility options should the HAP Contract terminate.

4. Change in Ownership

A change in ownership does not require execution of a new Housing Assistance Payments Contract. The Housing Authority will start to process a change in ownership with a written request from the new or previous owner.

Ownership changes will not be processed until the new owner has completed a Change of Ownership for Section 8 Contracted Units form, Tenant Reference Sheet, Owner Certification form, W-9 and provided a copy of the grant deed or other documentation showing transfer of title has occurred.

All ownership changes, not involving lender foreclosures, must take effect no later than 60 days from the date of the original request. Failure to complete the required

documentation within 60 days will result in termination of the Housing Assistance Payment Contract.

5. Voucher Disbursement at Family Separation

If a family separates, the assistance will be allocated based in order of priority as listed below.

- a. The adult member of the family who retains the primary physical custody of the majority of the minor children, with consideration of the following:
  - 1) If the family member who retains the primary physical custody of the majority of the minor children is not the head of family and was not in the home at the time the Voucher was issued, the Housing Authority will determine which adult member will retain the assistance. Circumstances to be considered will include, but are not limited to, recommendations from a child welfare agency, domestic violence reports, and criminal reports.
  - 2) If there are an equal number of children with each adult, the designated head of the family will retain the eligibility unless the head relinquishes assistance, in writing, to the other adult member.
- b. The adult member who was originally issued the Voucher.
- c. The adult member who has been in the family the longest amount of time.
- d. The adult member of the family who is elderly and/ or disabled.
- e. A non- family member, who is otherwise eligible to participate in the HCV program, who moves into the unit to care for the minors in the event of the unexpected absence of all other adult family members (i.e., death of a parent).

6. Absence from the Unit

Absence is defined as no family members residing in the unit. Such absence is allowable for no more than a 60-day period, except in extenuating circumstances, as approved, in writing, by the Housing Authority. Extenuating circumstances that may be considered include vacation and hospitalization. Absences that exceed this 60-day limit without approval by the Housing Authority will result in termination of the Housing Assistance Payment Contract and Voucher.

The means that the Housing Authority will use to determine the family's occupancy or suspected absence from the unit will include, but are not limited to: letters to the family's unit, phone calls, home visits and questions to landlords or neighbors.

7. Remaining Member of a Family:

When a family decreases in size to the extent that only one person remains, the individual remains eligible for the program under this rule.

B. Income

1. Verification of Income

- a. The Housing Authority may request third party verifications of income on all families. The Housing Authority will allow up to fourteen days for the receipt of the third party verification before processing a transaction. However, if third party verifications are not received in time for the timely completion of a transaction, the Housing Authority will use the verifications received to that date. When the third party verifications are received, an interim change to the rent shares will be processed if the change in income requires a change in rent shares, based on recertification policies.
- b. The Housing Authority will utilize both HUD's Enterprise Income Verification (EIV) System as well as the California Welfare system database (ISAWS) for verifying Social Security income and welfare benefits.
- c. If there are regular contributions to the family from an unknown source (such as miscellaneous bank deposits), these contributions will be counted as income unless the party making the contributions to the family certifies that the amounts are a loan. In this case, both parties must provide written detailed verification as to the amount of the loans, the duration they will continue and the details regarding the repayment of the loan amounts.

Examples of regular contributions include: (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, or 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 or clothing provided to a family on a regular basis.

- d. 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. 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.
- e. In the case of the issuance of a Voucher, all income verifications must be dated within sixty days of the effective date of the Voucher. In the case of an annual recertification, all income verifications must be dated within 120 days of the annual recertification effective date.
- f. To determine business expenses that may be deducted from gross income, the Housing Authority will accept complete tax returns submitted to the Internal Revenue Service (IRS) for verification of net income. If the family does not file tax returns on a consistent basis or if the business is relatively new at time of certification, self-employment income will be based on profit/loss statements provided by the tenant, which include receipts for specified costs and spreadsheets or journals for general costs such as gas/mileage.



- g. A family with children is entitled to a deduction for child care expenses if they are necessary to enable a family member to work or further his or her education. To be deductible, child care expenses must also satisfy regulatory requirements.
- h. In some cases, HUD regulations require that a student's income eligibility must be examined along with the income eligibility of the student's parents. If, however, a student in these circumstances is determined independent from his/her parents in accordance with the Housing Authority policy, the income of the student's parents will not be considered in determining the student's eligibility. The following criteria are used to determine independence from parents for the application of the student regulation:
  - 1) The individual is of legal contract age under state law.
  - 2) The individual has established a household separate from his/her parents for at least one year prior to application for occupancy.
  - 3) The individual was not claimed as a dependent by his/her parents pursuant to IRS regulations, as demonstrated on the students' most recent tax forms.
  - 4) The individual provides a certification of the amount of financial assistance that will be provided by his/her parents. This certification must be signed by the individual providing the support and must be submitted even if no assistance is being provided.

For any student who is subject to this regulation and who does not satisfy the definition of independent student in this section, the Housing Authority will determine the income eligibility of the student's parents as follows:

- 1) If the student's parents are married and living together the Housing Authority will obtain a joint income declaration and certification of joint income from the parents.
- 2) If the student's parent is widowed or single, the Housing Authority will obtain an income declaration and certification of income from that parent.
- 3) If the student's parents are divorced or separated, the Housing Authority will obtain an income declaration and certification of income from each parent.
- 4) If the student has been living with one of his/her parents and has not had contact with or does not know where to contact his/her other parent, the Housing Authority will require the student to submit a certification under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. The Housing Authority will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.

2. Reporting of a Change in Family Income

- a. The family is responsible to report and provide verification of changes in gross family income within 15 calendar days of the change. If the family does not report and provide verification of such changes within 15 calendar days, termination of eligibility may result.
- b. Yearly cost of living adjustments issued by the Department of Social Security, which increase the family's share of rent, will not be considered in a change in rent shares until the family's next annual recertification after the increase becomes effective. All other adjustments to Social Security benefits are required to be reported and verified by the family at the time of the adjustment and may be considered in a change in rent shares.
- c. If a family reports a change in income that the family is not required to report or a change in income which does not require a change in rent shares, no amendment to Contract and Lease will be made unless the family requests, in writing, that an amendment be processed. The verifications will be maintained in the case file for possible use at the family's next annual recertification.

C. Amount Owed to Housing Authority by the Family

1. Unreported Changes in Income and/or Household Composition

If it is determined that the family has had a change in household income or composition since the most recent certification (admission to the program or annual recertification) but did not report it in a timely manner (see Attachment B.), termination of benefits and/or an overpayment of housing assistance may occur.

Termination of eligibility in the program due to unreported income can also occur based on the number of occurrences of unreported income by the family in the past. In the event of termination for these reasons, reimbursement of the overpayment will continue to be pursued until the amount is collected in full.

Unreported income will be determined based on the difference between the income that was used to determine shares of rent versus what would have been used had the Housing Authority known of the increase in income in a timely manner. The number of months of unreported income will be determined based on when the amendment to Contract and Lease would have been initiated had the Housing Authority known of the increase in income in a timely manner versus the time the amendment was actually initiated.

2. Fraudulent Representation of Family Income and/or Household Composition

If it is determined that the family did not accurately report and verify family income and household composition at the most recent certification (admission to the program or recertification), fraudulent activity may exist, and termination of benefits and an overpayment of housing assistance may occur. In this case, an overpayment of the entire Housing Assistance Payments will be calculated for the period between when an amendment to Contract and Lease would have been initiated had the Housing Authority known of the increase in income in a timely manner through the termination date of the

family's assistance.

### 3. Tenant Repayment Policy

If it is determined that ~~there is an the amount of the~~ overpayment due to the Housing Authority ~~exceeds \$1000~~, the family will be required to enter into a repayment agreement in order to continue receiving assistance. If the family does not agree to enter into a repayment agreement, the family will be terminated from the program.

~~If the family owes more than \$1000, the repayment agreement will require the family to repay the amount necessary to reduce the debt to less than \$1000 within 30 days of the date the repayment agreement is signed. The remainder of the debt must be repaid within the following 12 months, as stipulated in the repayment agreement.~~

~~If the family owes less than \$1000, the additional amount of unreported income will be added to the calculations of rent shares for the period necessary to reimburse the Housing Authority for the overpayment of Housing Assistance Payment, with the following exceptions:~~

- ~~a. — If adding the additional income to the calculations causes the Housing Authority share of rent to decrease to zero, the amount of unreported income will not be added to the calculations of rent shares. Instead, the family must agree to enter into a repayment agreement in order to retain their eligibility in the HCV program.~~
- ~~b. — Any unreported income amount for a family member who is participating in the Family Self Sufficiency program will not be added to the calculations of rent shares. Instead, the family must agree to enter into a repayment agreement in order to retain their eligibility in the HCV program.~~

### 4. Repayment Agreement Stipulations

The term repayment agreement refers to a formal document signed by a tenant and the Housing Authority in which a tenant acknowledges a debt in a specific amount and agrees to repay the amount by a specific date. The Housing Authority may not enter into a repayment agreement if there is already a repayment agreement in place with the family. (In this event, the family may be terminated from the program.)

- a. The entire debt must be repaid in full before the family will be issued a Voucher to move from the unit.
- b. No move will be approved until the debt is paid in full unless the move is the result of the following causes, and the repayment agreement is current: family size exceeds the HQS maximum occupancy standards; the HAP contract is terminated due to owner non-compliance or opt-out; a natural disaster.
- c. If the family does not comply with a repayment agreement as required, the Housing Authority will initiate termination of rental assistance benefits and/or deny the right to move to a new unit with continued assistance. In the event that the family is terminated/denied continued assistance, the balance of the

overpayment will continue to be pursued until the amount is collected in full.

- d. Payments will be made directly to the Housing Authority, or a third party collection agency, in a lump sum or in periodic payments in the form ~~of cashier's of cashier's check or money check, money~~ order or check until the full amount due is recovered.
- e. The Housing Authority may use a collection agency to collect debts owed.
- f. If the family refuses to repay the debt, enter into a repayment agreement, or breaches a repayment agreement, the Housing Authority may terminate the assistance upon notification to the family and pursue other modes of collection.

#### D. Family Members

##### 1. Live-In Aides

The Housing Authority may approve a live-in aide, in accordance with HUD regulations. The Housing Authority must receive written documentation from a medical professional, which verifies that a live-in aide is necessary for the well being of the family member needing the live-in aide. The live-in aide must sign a form verifying that they acknowledge the following:

- a. A live-in aide resides with the family for the sole purpose of providing necessary care and supportive services to the disabled or elderly family member(s).
- b. A live-in aide is not considered a member of the family and is not entitled to any form of HCV rental assistance benefits

One additional bedroom will be allotted for the live-in aide. A live-in aide's family members may reside in the unit with the live-in aide as long as their presence does not overcrowd the unit (more than two persons per sleeping/living space).

The Housing Authority may not approve a person as a live-in aide if the requested person is a family member of the current household. Relatives, who currently reside in the household, are not automatically excluded, provided however that such relatives must comply with all applicable regulations, laws, and HUD requirements. Further, the relative must meet the requirements stated in 24 CFR 5.403. The Housing Authority will not approve a person as a live-in aide if the requested person is a family member of the current household.

##### 2. Foster Persons

- a. Foster persons temporarily out of the home of the assisted family: For purposes of subsidy standards determination, a foster person who is out of the home will be considered to be 'temporarily out of the home' if the foster care placement agency responsible for the person's placement can provide verification that there is a reasonable expectation that the person will be returned to the home within six months of the date the determination is being conducted.
- b. Foster persons living with the assisted family: Foster persons may be allowed to

live with the assisted family if the addition of the foster persons does not create the condition of overcrowding. Payments received by the family for the care of foster children or foster adults are not counted in family income if the foster person is placed in the home by a foster care custodial agency and payments are made by the foster care placement agency responsible for the person's placement.

### 3. Co-Head

If an adult family member signs the application form or certification / recertification form as the co-head of the family, that person will be designated as co-head of the family. Also, if a head of household has a child in common with another adult in the home, the other adult will be designated as co-head of the family.

### 4. Verification of Social Security Number

An original social security card or written verification from the Social Security Administration office verifying a member's social security number must be provided for all household members. If a social security card is not available or unable to be copied, a receipt showing that a duplicate card has been requested will suffice until the duplicate card is issued. In this instance, written verification from the Social Security Administration office verifying a member's social security number must be provided. Additional verifications may include a copy of a Medi-cal or Medicare card, if the social security number is evident on the card or written verification from another government agency. If an applicant household member under the age of six (6) does not have a Social Security Number (SSN), the applicant family will have 90 days from the date of admission to provide written verification of the SSN for the family member under the age of six (6). In the case of a foster child, a signed and dated letter from the foster care agency verifying the social security number can be provided as evidence.

### E. Family Self-Sufficiency

The Housing Authority will operate a Family Self-Sufficiency Program (FSS) in accordance with a HUD approved Action Plan. Families who choose to participate in the FSS program must be current participants in the HCV program, and will be bound by the regulations of both programs.

The Housing Authority will not terminate a family's assistance in the HCV program solely due to the family's failure to meet its obligations under the Family Self-Sufficiency program.

The FSS Action Plan is included as Attachment C and is available to Shasta County residents only.

### F. Termination of Assistance

HUD regulations specify grounds for the mandatory termination of assistance. In addition, if a family violates any obligation listed on the 'Family Obligations' form or the obligations listed on the HCV Voucher, they may be terminated from the HCV program. (See Attachment B.)

If a family vacates an assisted unit while an owner eviction process is taking place, but before a court decision is made, termination of assistance may occur. The Housing Authority will base its decision regarding termination of eligibility on the preponderance of evidence surrounding the eviction and tenant compliance with Family Obligations.

The Violence against Women Act (VAWA) prohibits Housing Authorities from terminating housing assistance and/or tenancy for a family participating in the HCV program due to actual or threatened domestic violence, dating violence, sexual assault or stalking. (See Attachment F and G.)

The termination notice will include the effective date of termination of HCV assistance, a description of the specific reasons for the termination and will include copies of any documents, which support the reason for the termination. The termination notice will also include the information necessary for the family to file for an informal hearing regarding the termination of assistance, if they wish to do so.

In accordance with 24 CFR 982.553 (c) of the Federal Register, where the Housing Authority has the authority to determine denial or termination of benefits based on criminal activity, the Housing Authority will base its decision on a preponderance of the evidence, regardless of whether the household member has been arrested or convicted for such activity.

Note: The Housing Authority may consider the following factors when making its decision to terminate assistance: The seriousness of the case, especially with respect to how it would affect other nearby residents, the effects that termination of assistance may have on other members of the family who were not involved in the action or inaction, the extent of participation or culpability of individual family members.

In this case, termination may be avoided if the Housing Authority determines that it is feasible for the offending household member to vacate the unit, as a condition of continued assistance. The head of household must certify that the culpable family member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon Housing Authority's request.

A Housing Authority may terminate HAP contracts if the Housing Authority determines, in accordance with HUD requirement, that program funding is insufficient to support continued assistance for families in the program. In the event that it is determined that insufficient funding is available to support all families in the HCV and PBV -program, the Housing Authority will terminate HAP contracts, as needed to meet funding constraints, in order as follows:

1. Households living in units within a housing complex that receives or received either direct or indirect government subsidies used to finance the development or ongoing operation of affordable rental housing units for low-income households, in order by last in, first out.
2. Non-disabled, non-elderly households without minor children in order by last in, first out.
3. Non-disabled, non-elderly households with minor children in order by last in, first out.

Those families terminated from the program for this reason will have their name added to the HCV or PBV wait list, with priority, according to their original wait list application date, so that assistance can be offered to the family once funding does become available. At that time, continued eligibility will be determined in order to ensure they remain eligible to receive assistance, according to HUD regulations and Housing Authority policies. In this situation, the families will be added to the wait list whether or not the wait list is open for application at the

time.

G. Informal Hearing

When the Housing Authority takes an action for which a hearing can be requested, the family will be notified in writing of their right to request an informal hearing. The family must request the hearing, in writing, which must be received or post-marked within ten calendar days of the date of the termination letter. Housing Authority informal hearing procedures are described in Attachment E. Only the following Housing Authority determinations are subject to a hearing.

1. Family income and the use of that income to compute the housing assistance payment;
2. Appropriate utility allowance from the Housing Authority utility allowance schedule;
3. Family unit size under the Housing Authority subsidy standards or denial to an exception to subsidy standards;
4. Termination of assistance for a participant family because of the family's action or failure to act;
5. Family's absence from their assisted unit for longer than allowed under Housing Authority policy and HUD rules.
- 5.6. Denial of a request for a reasonable accommodation.

## SECTION VII.

### DETERMINATION OF SUBSIDY AND RECERTIFICATION OF INCOME AND ELIGIBILITY

#### A. Determination of Family Contribution and Housing Assistance Payment

1. **Maximum Subsidy:** In accordance with HUD regulations, the maximum subsidy for a unit is determined by deducting the total tenant payment for the family from the gross rent of the unit or the appropriate payment standard, whichever is less. The total tenant payment is the greatest of 10% of the family's gross monthly income, 30% of the family's adjusted monthly income or the minimum rent.
2. **Family Share of rent:** In accordance with HUD regulations, the family pays the difference between the contract rent and the maximum subsidy. The family may not pay more than 40% of adjusted monthly income to rent and estimated utilities at initial leasing.

#### B. Minimum rent

HUD regulations provide that the Housing Authority shall implement a minimum rent of zero to \$50. The minimum rent set by the Housing Authority is \$50.00.

**Exemption:** If a family is unable to pay the family share of rent due to a financial hardship as described below, they may request an exemption, in accordance with HUD regulations. A request for an exemption must be supported by written documentation of the hardship. A hardship may be temporary or long-term. Temporary hardship is defined as a financial hardship that is expected to last 90 days or less. Long-term hardship is defined as a financial hardship that is expected to last more than 90 days.

Financial hardship includes the following:

1. The family has lost eligibility for, or is waiting for an eligibility determination for a Federal, State or local assistance program;
2. The family would be evicted because it is unable to pay the minimum rent;
3. The income of the family decreased due to change in circumstances including loss of employment, death in the family or other circumstance determined by the Housing Authority to be out of the family's control.

#### C. Payment Standard

In accordance with HUD regulations, the Housing Authority may establish the payment standard amount for a unit at any level between 90-110% of the HUD-published Fair Market Rent for that unit size.

At least annually, the Housing Authority payment standard will be evaluated to determine if an adjustment is necessary. The Housing Authority will give local market factors consideration in determining the need for adjustments. Factors will include but are not limited to: local contract rents, estimated utility costs, average time for finding eligible housing, rent reasonableness data, the local vacancy rate as well as program funding.



Any adjustments to Housing Authority Payment Standards will be made in accordance with HUD regulations.

D. Certifications / Recertification

All information regarding all household income will be verified at initial admission to the program, at interim recertifications, as needed, and at annual recertifications. All income calculations are projected on an annual basis. However, if the Housing Authority determines that there is a substantial fluctuation in family income, the Housing Authority may re-verify and re-compute income on a quarterly basis until the situation stabilizes. Quarterly evaluations of income may also occur for families who report no income or whose maximum family contribution exceeds 85% of adjusted household income.

1. Interim Recertification

The family's eligibility will be recertified when a change of family income and/or family composition is reported and verification is provided by the family or is determined by the Housing Authority to have occurred.

a. Increase to family income only (no change to household composition):

- 1) Changes to the family's total tenant payment of \$100.00 or less due solely to an increase in family income will not result in an amendment to Contract and Lease until the family's next annual recertification. However, if a family requests in writing that the shares of rent be adjusted, an adjustment will be made.
- 2) If the family reports and provides verification that there has been an increase in family income which causes the total tenant payment to increase more than \$100.00 per month, an amendment to family share of rent will be made.
- 3) If a full-time student has turned 18 years old since the last annual recertification, any income earned by that student which could affect the shares of rent will not be considered until the next annual recertification. Consequently, the income earned by the student between the 18<sup>th</sup> birthday and the first annual recertification after the 18<sup>th</sup> birthday will not be considered undetected income.

b. Decrease to family income:

If the family reports and provides verifications that there has been a change in family income, which causes the family share of rent to decrease, an amendment to family share of rent will be made effective the first of the month following the receipt of verifications needed to determine the new shares of rent. If a decrease is reported and verified change is provided to the Housing Authority by the twenty fifth of the month, staff will process the decrease in the family share of rent effective the first of the next month.

c. Changes to household Composition

Changes to the family's household composition will result in an interim amendment, regardless of the change in amount of total tenant payment.

2. Annual Recertification

An annual recertification of family income, composition and circumstances will be performed at least once during each twelve-month period, in accordance with HUD regulations. This applies to all program participants without exception.

3. Notification Procedures

Shasta County Housing Authority will give the family at least 30 days advanced written notice of any future increase in the family's share of rent as a result of an annual or interim reexamination as long as all aspects of the reexamination are completed by the tenant and/or landlord in a timely manner.

However, if Shasta County Housing Authority determines that the family, ~~or the owner,~~ by their action or inaction, has delayed the reexamination process, Shasta County Housing Authority will, without advance notice, implement any increase in the family's TTP resulting from the reexamination, retroactively to the following effective date:

1. Annual reexamination: The family's anniversary date;
2. Interim reexamination: The first day of the month following the month in which the family provides information regarding income, assets, and expenses. In this event, the family may owe the Housing Authority for overpayments made due to the tenant-caused delay of reexamination of family income. The number of months of overpayment is determined based on when the interim amendment would have been initiated had the HA known of the increase in income in a timely manner versus when the interim amendment was actually initiated.

Any overpayments must be reimbursed to the Housing Authority or termination of assistance may result. (See Section VI, B., 3.)

## SECTION VIII.

### MAINTAINING CONTRACTUAL RELATIONSHIP WITH OWNERS

A Housing Authority representative will explain contract terms to the owner at the time the Housing Assistance Payment contract is signed. Prospective landlords must complete, sign and submit a Form W-9, Request for Taxpayer Identification Number (TIN), Landlord Certification and a copy of the grant deed or other documentation demonstrating the prospective landlord is the owner of the unit to the Housing Authority to participate in the program. The owner's address must not be the same as the assisted unit. (The Housing Authority will not mail a payment to the owner at the participant's unit or P.O. Box address.) Contracts and leases will be negotiated with the landlords based on HUD regulations and requirements. A copy of the contract and lease will be sent to the landlord. A copy of the lease will be sent to the family.

All owners participating in the program will be required to maintain their units in decent, safe and sanitary condition. A monthly Housing Assistance Payment will be issued for units under a Housing Assistance Payment contract, for so long as the contract is in effect and the unit and owner remain in compliance with the contract.

#### A. Screening of Family

The Housing Authority does not screen the family for behavior or suitability as tenants. Such screening is the landlord's responsibility.

#### B. Information to Landlords

Upon request, the Housing Authority will provide the following information to a prospective landlord: the name and addresses of owners at the family's current and prior addresses, if known to the Housing Authority.

#### C. Encouraging Landlord Participation

The Housing Authority encourages landlord participation in the program. Landlords are provided with general information packets when inquiring about the program. Flyers informing landlords that they may contact the Housing Authority regarding any available units in the area, which may be available to program clients, are sent along with recertification packets. When landlords provide information regarding such units, the unit is added to an 'available units listing' which is maintained for the purpose of assisting eligible HCV families in locating housing. This list is only provided to families who have been issued a Voucher of eligibility.

#### D. Amount Owed to the Housing Authority by the Owner

An owner may owe money due to a Housing Authority overpayment. The owner will be responsible for repaying the Housing Authority for any overpayments made. The owner will be advised as to the method for repayment of any overpayment.

#### E. Denial of Owner Participation

HUD regulations require mandatory denial of owner participation when directed by HUD. This applies to owners subject to federal sanctions for violation of the Fair Housing Act or other federal equal opportunity requirements.

The Housing Authority may also choose to deny participation to owners who have committed fraud, bribery, or any other corrupt or criminal act with any federal housing program; who fail to pay state or local real estate taxes, fines, or assessments; or who have a history of practice of violating housing quality standards. Deliberate violation of program regulations for financial gain, such as collecting more rent from the family than authorized by the Housing Authority, may be grounds of denial of future owner participation. Landlords or owners who threaten or engage in abusive or violent behavior toward Housing Authority staff will be denied participation in the program.

When the Housing Authority decides not to execute HAP contracts with an owner, the decision affects only prospective (future) contracts. Participants residing in units belonging to the identified owner will not be asked to move solely because of a decision to disapprove the owner. If there is a change in ownership during the term of the HAP Contract, the Housing Authority will process the change after the new owner has been verified and approved by the Housing Authority.

F. Expanding Housing Opportunities

The Shasta County Housing Authority implements an Equal Opportunity Plan which details the Housing Authority's efforts to increase housing opportunities to low-income families. One of the objectives of the Plan is to promote greater housing opportunities for families outside areas of low income and minority concentration.

1. The Shasta County Housing Authority jurisdiction for administering the Housing Choice Voucher program includes: the unincorporated areas within Shasta County, the cities of Anderson and Shasta Lake in Shasta County and the counties of Modoc, Siskiyou, and Trinity.
2. The Housing Authority considers census tracts with poverty rates exceeding 20% to be areas of poverty concentration. Due to the low percentage of minority populations in the Housing Authority jurisdiction, the Housing Authority has no areas it considers to be an area of minority concentration.

SECTION IX.

ADMINISTRATIVE FEE RESERVE

A. Required Use

The Administrative Fee Reserve will be used to pay program administrative expenses that exceed program receipts for the Housing Authority fiscal year.

B. Other Permitted Use

If funds in the Administrative Fee Reserve are not needed to cover Housing Authority program administrative expenses to the end of the last expiring funding increment under the consolidated annual contributions contract, the Housing Authority may use these funds for other housing purposes permitted by Federal, State, and local law.

C. Threshold Expenditures

The maximum amount of expenditures that the Housing Authority may charge against the Administrative Fee Reserve for other housing purposes, without prior approval of the Board, is set at \$100,000 during any one fiscal year. Such expenditures must be appropriately budgeted by the governing body.

## SECTION X

### MANUFACTURED HOMES

#### A. Introduction

A manufactured home is a manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS.

1. A family can choose to rent a manufactured home already installed on a space and the SCHA must permit it. In this instance program rules are the same as when a family rents any other residential housing, except that there are special HQS requirements as provided below.
2. HUD also permits an otherwise eligible family that owns a manufactured home to rent a space for the manufactured home and receive HCV assistance with the rent for the space as well as certain other housing expenses.

#### B. Special Policies for Manufactured Home Owners Who Lease A Space

1. In determining the annual income of families leasing manufactured home spaces, the value of the family's equity in the manufactured home in which the family resides is not counted as a family asset.
2. The PHA payment standard for manufactured homes is the payment standard used for the HCV program.
3. The rent for the manufactured home space (including other eligible housing expenses) is the total of:
  - a. The rent charged for the manufactured home space;
  - b. Owner maintenance and management charges for the space;
  - c. The monthly payments made by the family to amortize the cost of purchasing the manufactured home, including any required insurance and property taxes; and
4. The applicable allowance for tenant-paid unities.
5. Under either type of occupancy described above, the manufactured home must meet all HQS performance requirements and acceptability criteria discussed in Section V of this plan. In addition, the following requirement applies:
  - a. A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage. The home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist overturning and sliding.

## SECTION XI

## HOMEOWNERSHIP

### A. Introduction

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. A family assisted under this option may be newly admitted or an existing participant in the HCV program. The SCHA must have the capacity to operate a successful HCV homeownership program as defined by the regulations. The family must meet all of the requirements listed below before the commencement of homeownership assistance.

1. The family must have been admitted to the Housing Choice Voucher program and be in compliance with their Lease and Program Regulations.
2. ~~982.4 and~~ At commencement of homeownership assistance for the family, the family must be any of the following (1) A first time homeowner (defined in CFR 982.4); (2) A cooperative member (defined in CFR 982.4); or (3) A family of which a family member is a person with disabilities, and use of the homeownership option is needed as a reasonable accommodation so that the program is readily accessible to and useable by such person, in accordance with part 8 of CFR 982.627.
3. The head of household must be a member of the Section 8 Family Self Sufficiency (FSS) program and participating in the development of an Individual Training and Service Plan, and is meeting the obligations of their FSS contract. Or the family may be a former member of the FSS program who has successfully completed the program. The family will be required to meet all other obligations and pre-requirements of the Homeownership program. Elderly and disabled persons are exempt from the requirement to participate in the FSS program, but are not prohibited from participation.
4. The family must meet the Federal minimum income requirement, as defined by 24 CFR 982.627.
5. For disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.
6. For elderly or disabled families, welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement. It will not be included for other families.
7. The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a full-time basis (the term 'full-time employment' means not less than an average of 30 hours per week); and has been continuously so employed during the year before commencement of homeownership assistance for the family.
8. The employment requirement does not apply to elderly and disabled families. In addition, if a family, other than an elderly or disabled family includes a person with disabilities, the SCHA must grant an exemption from the employment requirement if the SCHA

determines that it is needed as a reasonable accommodation.

9. The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option.
10. Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
11. Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with 24 CFR 982.63(C).

B. Eligible Units

The unit may not be any of the following:

1. A public housing or Indian housing unit.
2. A unit receiving Section 8 project-based assistance.
3. A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services.
4. A college or other school dormitory.
5. On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.
7. The unit may be not a yet to be under construction, under construction or already exist at the time the family enters into the contract of sale. If the unit is not yet under construction, the SCHA shall not commence homeownership assistance until either the responsible entity completes the environmental review required, HUD approves the environmental certification and request for release of funds prior to commencement of construction or HUD performs an environmental review and notifies the SCHA in writing of environmental approval of the site prior to commencement of construction. Additionally, prior to commencement of homeownership assistance the construction of the unit has been completed and the unit passes the required Housing Quality Standards (HQS) inspection and independent inspection.
8. The unit must be a one-unit property or a single dwelling unit in a cooperative or condominium.
9. The unit must have been inspected by the SCHA and by an independent inspector designated by the family.
10. The unit must meet Housing Quality Standards.
11. For a unit where the family will not own fee title to the real property (such as a



manufactured home), the home must have a permanent foundation and the family must have the right to occupy the site for at least 40 years.

C. Reporting

It is the family's responsibility to find a home that meets the criteria for voucher homeownership assistance. The family's deadline date for locating a home to purchase and closing escrow on the home will be 180-days from the date the family is issued a homeownership voucher. The family will be issued a homeownership voucher once they have completed all required pre-purchase counseling and have received a mortgage pre-approval. Extensions may be granted on a case-by-case basis. If the family is unable to purchase a home within the maximum time established by the SCHA, the SCHA may issue the family a voucher to lease a unit or place the family's name on the waiting list for a voucher. The SCHA will require periodic reports on the family's progress in finding and purchasing a home. The family will provide such reports on a monthly basis to the SCHA.

D. Homeownership Counseling

Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling program required by SCHA.

E. Home Inspections

The SCHA may not commence monthly homeownership assistance payments for a family until the unit and has passed an HQS inspection.

An independent professional inspector selected by and paid for by the family must also inspect the unit. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components. The independent inspector must provide a copy of the report to both the family and the PHA.

The SCHA may disapprove a unit for assistance based on information in the independent inspector's report, even if the unit was found to comply with HQS.

F. Contract of Sale

Before commencement of monthly homeownership assistance payments, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give a copy of the contract of sale to the SCHA. The contract of sale must:

1. Specify the price and other terms of sale by the seller to the purchaser.
2. Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser.
3. Provide that the purchaser is not obligated to purchase the unit unless the

inspection is satisfactory to the purchaser.

4. Provide that the purchaser is not obligated to pay for any necessary repairs; and

5. Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under CFR part 24.

6. Contract of Sale for Units Not Under Construction:

a. If the unit is not yet under construction at the time the family is to enter into a contract for sale, the contract for sale must also provide that:

1. The purchaser is not obligated to purchase the unit unless an environmental review has been performed and the site has received environmental approval prior to commencement of construction in accordance with 24 CFR 982.628.

2. The construction will not commence until the environmental review has been completed and the seller has received written notice from the SCH A that environmental approval has been obtained. Conduct of the environmental review may not necessarily result in environmental approval, and environmental approval may be conditioned on the contracting parties' agreement to modifications to the unit design or to mitigation actions.

3. Commencement of construction in violation of environment review and approval from the SCH A voids the purchase contract and renders homeownership assistance unavailable for purchase of the unit.

#### G. Disapproval of a Seller

In its administrative discretion, the SCH A may deny approval of a seller for the same reasons the SCH A may disapprove an owner under the regular HCV program.

#### H. Financing Requirement

The family is responsible for securing financing. The SCH A has established financing requirements, listed below, and may disapprove proposed financing if determined that the debt is unaffordable. The SCH A may prohibit the following forms of financing:

1. Balloon payment mortgages.

2. Variable interest rate loans.

3. Seller financing on a case-by-case basis.

4. All mortgage payment costs cannot exceed 50% monthly gross income.

5. Loans including persons other than those listed in the assisted family household for Homeownership program participation.

I. Underwriting Guidelines

If the mortgage is not FHA-insured, the SCHA will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/FHA, Ginnie Mae, Fannie Mae, Freddie Mac, California Housing Finance Agency (CalHFA), USDA Rural Housing Services, The Federal Home Loan Bank or other private lending institutions.

J. Down payment

The SCHA does not have a minimum family down payment requirement. Regardless the family should expect to comply with secondary mortgage market underwriting down payment requirements.

K. Family Obligations

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, the SCHA may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund the SCHA the homeownership assistance for the month when the family moves out.

The family must comply with the following family obligations:

1. The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
2. The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to 24 CFR 982.551 (h) and (i).
3. The family must supply information to the SCHA or HUD as specified in 24 CFR 982.551(b). The family must further supply any information required by HACCC or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
4. The family must submit a 30 day written notice to the SCHA before moving out of the home.
5. The family must notify the SCHA if the family defaults on the mortgage used to purchase the home.
6. No family member may have any ownership interest in any other residential property.
7. The family must comply with the obligations of a participant family.
8. Before commencement of homeownership assistance, the family must execute a statement of family obligations in the form prescribed by HUD. In the statement, the family agrees to comply with all family obligations under the homeownership option.

L. Amount of Monthly Homeownership Assistance

The monthly homeownership assistance payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.

At the commencement of homeownership assistance the payment standard for a family is the lower of either the payment standard for the family unit size or the payment standard for the size of the home.

At reexamination of income the payment standard for a family is the greater of either the payment standard at the commencement of homeownership assistance for occupancy of the home or the payment standard at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.

In determining the amount of the homeownership assistance payment, SCHA will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described in elsewhere in this plan for the Housing Choice Voucher program.

SCHA may pay the homeownership assistance payments directly to the family, or to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, SCHA must pay the excess directly to the family.

Homeownership assistance for a family terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the family. However, the SCHA may grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

1. Homeownership expenses (not including cooperatives) only include amounts allowed by the SCHA to cover:
  - a. Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
  - b. Real estate taxes and public assessments on the home;
  - c. Home insurance;
  - d. SCHA allowance for maintenance expenses.
  - e. SCHA allowance for costs of major repairs and replacements.
  - f. SCHA utility allowance for the home.
  - g. Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if SCHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
  - h. Land lease payments where a family does not own fee title to the real property on which the home is located.

- i. For a condominium unit, condominium operating charges or maintenance fees assessed by the condominium homeowner association.
- 2. Homeownership expenses for a cooperative member may only include amounts allowed by SCHA to cover:
  - a. The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home.
  - b. Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt.
  - c. Home insurance.
  - d. SCHA allowance for maintenance expenses.
  - e. SCHA allowance for costs of major repairs and replacements.
  - f. SCHA utility allowance for the home.
  - g. Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the SCHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
  - h. Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.

M. Portability

Subject to the restrictions on portability included in HUD regulations and the SCHA policies, a family may exercise portability if the receiving PHA is administering a voucher homeownership program and accepting new homeownership families. The receiving PHA may absorb the family into its voucher program, or bill the initial PHA.

The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving PHA must promptly notify the SCHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by PHA.

N. Moving with Continued Assistance

A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.

- 1. The SCHA may deny permission to move to a new unit with continued voucher assistance as follows:
  - a. Lack of funding to provide continued assistance.

b. At any time, the SCHA may deny permission to move with continued rental or homeownership assistance in accordance with 24 CFR 982.638, regarding denial or termination of assistance.

2. The SCHA must deny the family permission to move to a new unit with continued voucher rental assistance if:

a. The family defaulted on an FHA-insured mortgage; and

b. The family fails to demonstrate that the family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and the family has moved, or will move, from the home within the period established or approved by HUD.

3. Notice of Move Out and Mortgage Default

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

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

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

4. Denial or Termination of Assistance

At any time, the SCHA may deny or terminate homeownership assistance in accordance with HCV program requirements in 24 CFR 982.552 (Grounds for denial or termination of assistance) or 24 CFR 982.553 (Crime by family members).

The SCHA may also deny or terminate assistance for violation of family obligations described in Section VI of this plan.

The SCHA must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.

Q. Maximum Term of Homeownership

Except in the case of a family that qualifies as an elderly or disabled family, other family members (described below) shall not receive homeownership assistance for more than:

1. Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or

2. Ten years, in all other cases.

3. Has an ownership interest in the unit during the time that homeownership payments are made; or

4. Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.

The maximum term of assistance does not apply to elderly or disabled families. In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

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

#### N. Compliance With the Mortgage

The family must comply with the terms of the mortgage securing debt incurred to purchase the home, and any refinancing of such debt.

The family must obtain written approval from the SCHA before securing any refinance or equity loan.

During the time the family receives homeownership assistance, no family member may have any ownership interest in any other residential property.

#### O. Prohibition Against Conveyance or Transfer of the Home

So long as the family is receiving homeownership assistance, they may not sell, convey or transfer any interest in the home to any entity or person other than a member of the assisted family residing in the home. If the family chooses to sell the home to another family member, they must inform the SCHA of their intent prior to the sale, and receive written consent from the SCHA before commencing with any sale, refinance or transfer of interest. The family is required to provide the SCHA with applicable documentation related to any sale, refinance, or transfer. Upon the death of a family member who holds, in whole or in part, title to the home or ownership of cooperative membership shares for the home, homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of the title by operation of the law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members. The family is required to inform the SCHA of the decedent's death within fourteen (14) days of its occurrence.

## SECTION XII

### HCV PROJECT BASED VOUCHER PROGRAM

#### A. Introduction

The Project-Based Voucher (PBV) program is administered by Public Housing Authorities (PHA) who also administers the tenant-based Housing Choice Voucher (HCV) program. The Shasta County Housing Authority (SCHA) will appropriate no more than 20% of the SCHA Annual Contributions Contract (ACC). PBV is assistance that is tied directly to a unit in an approved project, unlike the HCV program, where assistance is tied to the participant. The policies of the HCV program apply to the PBV program, except where they are specifically altered in this section.

In administering the Project-Based Voucher program, the goals of the Shasta County Housing Authority are to:

1. Attract more affordable developments to the Shasta County Housing Authority's jurisdiction.
2. Increase affordability of housing for families; and
3. Further HUD and the Shasta County Housing Authority goals of deconcentration.

#### B. Selection of Project Based Voucher Owner Proposals

The Shasta County Housing Authority may use one of the following methods to select owner proposals:

2. Request for Proposal (RFP): Shasta County Housing Authority may issue a competitive request for PBV proposals. An RFP may not be limited to a single site and may not impose restrictions that practically preclude owner submission of proposals for PBV on different sites. The Shasta County Housing Authority will publish an RFP in at least one newspaper of general circulation, as well as post the RFP on the County of Shasta website. The submission deadline will be included in the RFP and a detailed application and selection criteria will be provided to all interested parties.
2. At the discretion of the Shasta County Housing Authority, projects may be selected for PBV assistance using proposals for housing developed using federal, state, or local government housing assistance, community development, or a supportive services program that requires competitive selection of proposals (e.g., HOME, competitively-awarded Low-Income Housing Tax Credit, City of Industry Funds), where the proposal has already been selected in accordance with such program's competitive selection requirements within three years of the Shasta County Housing Authority's PBV selection



date, and the earlier selection proposal did not involve any consideration that the project would receive Housing Authority PBV assistance.

The SCHA will notify the selected owner, in writing, of the owner's selection for the PBV Program. The SCHA will also notify, in writing, all owners that submitted proposals that we're not selected and advise such owners of the name of the selected owner. In addition, the SCHA will publish its notice for selection of PBV proposals in the same newspapers the SCHA used to solicit the proposals. The announcement will include the name of the owner that was selected for the PBV program.

The SCHA will make available, during normal business hours, to any interested party its rating and ranking sheets and documents that identify the SCHA basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. The SCHA will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.

### C. Prohibition of Assistance for Certain Units

#### 1. The following types of housing are ineligible under the PBV program:

- a. Shared housing units.
- b. Units on the grounds of a penal reformatory, medical, mental, or similar public or private institution.
- c. Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities).
- d. Units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students.
- e. Manufactured homes.
- f. Transitional housing.
- g. Owner occupied housing.
- h. Units occupied by ineligible families.

#### 2. The SHCA may not attach or pay PBV assistance to units in any of the following types of subsidizing housing:

- a. A public housing unit.
- b. A unit subsidized with any other form of Section 8 assistance.
- c. A unit subsidized with any governmental rent subsidy.

- d. A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing.
- e. A unit subsidized with Section 236 rental assistance payments (except that a PHA may attach assistance to a unit subsidized with Section 236 interest reduction payments).
- f. A Section 202 project for non-elderly with disabilities.
- g. Section 811 project-based supportive housing for persons with disabilities.
- h. Section 202 supportive housing for the elderly.
- i. A Section 101 rent supplement project.
- j. A unit subsidized with any form of tenant-based rental assistance.
- k. A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the PHA in accordance with HUD requirements.

D. Number of PBV Units Per Building

The SCHA may only provide Project-Based Voucher assistance to up to 25% of the units in a selected project. Units excepted from this rule are:

- 1. Units that are exclusively for elderly and/or disabled families.
- 2. Units housing households eligible for supportive services available to all families' receiving PBV assistance in the project.

Approved supportive services are intended to help ensure stability and to maximize each tenant's ability to live independently. Support services must be easily accessible and available to the tenant in the PBV assisted project. Approved supportive services may include: general supportive services, education and instructional services, independent living skills, health and medical services, mental health services, substance abuse services, vocational services and services for families.

Support services do not have to be provided by the project. When supportive services are provided, whether on site or not, the following conditions apply: The statement of family responsibility in the lease must contain the family's obligation to participate in the designated service program. Failure of the family to comply is good cause to terminate the family from the program. At least one member of the family must be receiving the supportive service for the unit to remain excepted from the 25% cap.

Services monitoring participant compliance with a supportive service contract will be monitored at least annually. The SCHA will request a status update for the participant's supportive service contract at the anniversary of said contract. The SCHA may request a status update on the supportive service contract more frequently, at its discretion. Providers of supportive services must provide the SCHA any changes to the program within thirty days of when those changes occur. Providers must also immediately report to the Shasta County Housing Authority when a

family fails to meet the supportive service contract requirements. When a family living in an excepted unit fails to meet the requirements of a supportive service contract, and is living in the excepted unit because of the supportive services received, the SCHA will propose termination of the contract. The family will not be issued a voucher to move. The owner and participant will be given a thirty-day notice of the proposed termination of the HAP contract. The owner may at that time terminate the lease and issue an order to vacate by the HAP contract termination date. If a family fails to meet the requirements of the supportive service contract for good cause, as determined by the SCHA, and is qualified to become reinstated in the supportive service program within a reasonable time period, the SCHA may counsel the family on its obligations and allow reinstatement of the supportive service contract.

#### E. Project Section Criteria

The SCHA may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into an AHAP contract or HAP contract for units on the site, unless the SCHA has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities must be consistent with the PHA Plan under 24 CFR 903 and the PHA administrative plan.

It is the SCHA goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. The SCHCA may grant exceptions, where the SCHA determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in a census tract where:

- a. The PBV development will be located in a HUD-designated Enterprise Zone, Economic Community or Renewal Community.
- b. The concentration of assisted units will be or has decreased as a result of public housing demolition.
- c. The neighborhood is undergoing significant revitalization.
- d. State, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement.
- e. New market rate units are being developed that will positively impact the poverty rate in the area.
- f. There has been an overall decline in the poverty rate within the last five years.
- g. There are meaningful opportunities for educational and economic advancement.
- ~~h. The level of affordable housing units within a jurisdiction the SCHA administers due to the lack of housing availability for the Housing Choice Voucher program will increase.~~

#### 2. Requirements For Selecting Existing and Rehabilitated Housing

The SCHA will select only existing and rehabilitated housing projects that meet the following criteria:

- a. The site is adequate in size, exposure, and contour to accommodate the number and type of units proposed.
- b. Have adequate utilities and streets available to service the site.
- c. Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low income persons.
- d. Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.
- e. Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive. This requirement does not apply to senior projects.

3. Requirements for New Construction Housing

The Shasta County Housing Authority will select only new construction housing projects that meet the following criteria:

- a. The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed.
- b. Have adequate utilities (water, sewer, gas, and electricity) and streets must be available to service the site.
- c. The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- d. The site must not be located in an area of minority concentration unless the SCHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area.
- e. The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- f. The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate.
- g. The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services

equivalent to those found in neighborhoods consisting largely of unassisted similar units.

- h. Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

#### F. Environmental Review

The SCHA activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The responsible entity is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The SCHA may not enter into an agreement to enter into an AHAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

The SCHA may not enter into an agreement to enter into a AHAP contract or a HAP contract with an owner, and the PHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

The SCHA must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The SCHA must require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

#### G. Agreement to Enter into the HAP Contract

1. If a rehabilitated or newly constructed project, as defined by regulation, is selected by the Shasta County Housing Authority to receive Project-Based Vouchers, the Shasta County Housing Authority will enter into an Agreement (AHAP) with the owner in the form required by HUD. In the AHAP the owner agrees to develop the contract units to comply with HQS, and the Shasta County Housing Authority agrees that, upon timely completion of the development in accordance with the terms of the AHAP, the Shasta County Housing Authority will enter into a HAP contract with the owner for the contract units. The Shasta County Housing Authority may not pay or enter into an agreement if commencement of construction or rehabilitation occurs after proposal submission. Rehabilitation begins with the physical commencement of rehabilitation activity on the housing. Commencement of construction occurs when excavation of site preparation (including clearing of the land) begins. Delays in completion of rehab/construction may result in termination of the agreement. The SCHA may extend the completion deadline for unforeseen factors outside of the owner's control. The owner must obtain the SCHA approval for any changes in work. If the owner does not do so, the SCHA may set a lower initial rent.
2. The Shasta County Housing Authority may only provide assistance in accordance with HUD subsidy layering regulations and other requirements. The Shasta County Housing

Authority will not enter into an AHAP with the owner until the project has successfully passed a subsidy layering review by HUD or other HUD-approved agency. The owner must certify in the HAP contract that the project has not received and will not receive any other form of public assistance during the life of the HAP contract other than that disclosed in the subsidy layering review.

#### H. Selection of Participants

The SCHA may select families for the PBV program from those who are participants in the SCHA tenant-based voucher program and from those who have applied for admission. Eligibility for admission must be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. The SCHA may not approve a tenancy if the owner (including a principal or other interested party) of the unit is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless needed as a reasonable accommodation. An applicant family must also meet HUD requirements related to current or past criminal activity.

1. An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the SCHA is considered an "in-place family." These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on the SCHA waiting list. Once the family's continued eligibility is determined (the SCHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and the SCHA must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements. This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.
2. The SCHA will provide a selection preference when required by the regulation. The SCHA will maintain a separate waiting list for Project Based Vouchers. Applicants on the PBV waiting list are subject to the housing choice voucher program local preferences as fully set forth in Section II of this pPlan. ~~The PBV waiting list will have admission preferences that reflect the target population of each project.~~
3. For the VASH program, referrals will be received from the VAMC administering the VASH program in the SCHA jurisdiction. Should the referrals exceed the availability of housing units available, a VASH wait list shall be established and offered on a first come first serve basis.
4. When the Shasta County Housing Authority opens the wait list, applications will be accepted from families for whom the list is open unless there is good cause for not accepting the application. Where the family is determined to be ineligible, the Shasta County Housing Authority will notify the family in writing. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review and explain the process for doing so. Applications must be submitted as indicated in the public notice. Only one application per applicant/social security number will be

accepted; duplicate applications will not be accepted. No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list.

The Shasta County Housing Authority will require families to provide the information on the wait list application that is needed to make an initial assessment of the family's eligibility for assistance and its self-certified preference category designation. Depending on its self-certified preference category designation, a family initially determined to be eligible will be placed on the wait list or in an applicant lottery pool, as specified in the notice. The family will not be required to provide all of the information necessary to establish family eligibility and level of assistance until the family is selected from the waiting list.

If a family refuses an offer of PBV assistance or the owner rejects a family for admission to the owner's PBV units, the Shasta County Housing Authority may remove the family from the PBV waiting list. Such refusal will not affect the family's position on the tenant-based waiting list.

#### I. Information For Accepted Families

When a family accepts an offer of PBV assistance, the Shasta County Housing Authority will provide the family an oral briefing. The SCHA has a mechanism for referring a family that includes a person with mobility impairments to accessible PBV units. Attendance at this briefing is mandatory. The oral briefing will include:

1. A description of how the program works.
2. Family and owner responsibilities.
3. Information packet that contains the following information:
  - a. How the SCHA determines total tenant payment.
  - b. Family Obligations.
  - c. Criminal Activity Policy.
  - d. Applicable fair housing information.
  - e. Housing Quality Standard Inspection information.
  - f. Annual and Interim Recertification Information.

#### J. Leasing of Contract Units

Owners must lease contract units only to eligible families, selected and referred by the Shasta County Housing Authority from the waiting list, during the term of the HAP contract. Owners must develop written tenant selection procedures consistent with the purpose of improving housing opportunities for very low-income families, related to program eligibility and an applicant's ability to perform lease obligations. An owner must notify the SCHA, in writing, with in 15 calendar days of any rejected applicant and the grounds for rejection. The owner must comply with 24 CFR part 5, subpart L (Protections for victims of Domestic Violence, Dating

Violence, Sexual Assault, or Stalking). Owners must follow the Shasta County Housing Authority's subsidy standards when leasing units to referred families.

K. Vacancies

The owner must notify the SCHA in writing within 5 business days of learning about any current or expected vacancy in a contract unit. After owner notice, the SCHA will promptly refer a sufficient number of families to the owner to fill the vacancy. If any contract unit has been vacant for at least 120 days, the SCHA may give notice to the owner amending the HAP contract to reduce the number of contract units by the number of units that have been vacant for that period.

L. Tenant Screening

The SCHA may take into consideration any admission criteria outlined in Section III of this Plan in order to screen applicants for eligibility; however, it is the responsibility of the owner to screen applicants for suitability for tenancy. Upon request, the SCHA will provide the owner with the tenant's current and former address, as well as the name and address of the current and/or former landlord, if known. This policy is consistent with information provided to owners under the Housing Choice Voucher program.

M. Housing Assistance Payments Contract

The SCHA must enter into a Housing Assistance Payments (HAP) contract with the owner in order to provide housing assistance payments for eligible families. The SCHA will make housing assistance payments to the owner in accordance with the HAP contract, for contract units leased and occupied by eligible families during the term of the HAP contract. The SCHA will use the most recent HUD-approved form of the HAP contract.

1. Before the HAP contract can be executed, the SCHA will inspect each contract unit in accordance with Section V of this plan. The HAP contract must be executed within 30 days of passed inspections for all units proposed under the HAP contract.

By execution of the HAP contract, the owner certifies:

- a. The owner is and will maintain all contract units in accordance with HQS.
- b. The owner will provide all services, maintenance, equipment and utilities as agreed to under the HAP contract and in the lease with assisted families.
- c. Each contract unit is leased to an eligible family and the lease complies with the HAP contract and HUD requirements.
- d. Members of the assisted family reside in the contract unit and it is their only residence.
- e. The owner is not a relative of any member of the assisted family.
- f. The amount of the housing assistance payment is the correct amount due under the HAP contract.
- g. The rent to owner for each contract unit does not exceed the rent charged by the owner for other comparable unassisted units.



- h. The owner will not receive any other payments beyond the tenant rent and housing assistance payments for the contract unit.
    - i. The family does not own or have any interest in the contract unit.
  - 2. The Housing Authority may enter into a HAP contract with an owner for an initial term of not less than one year and not more than fifteen years for each contract unit. The SCHA and owner may agree at any time, including during the initial contract term, to extend the term of the HAP contract for up to fifteen years. Under no circumstances may extensions exceed 15 years cumulatively. The HAP contract may be terminated by the SCHA for insufficient funds. If it is determined there are insufficient funds available to continue to assist all contract units for the full term, the SCHA may give notice to the owner for all or any of the contract units, in accordance with HUD instructions.
  - 3. The SCHA may amend the HAP contract to substitute a different unit with the same number of bedrooms in the same project for the previously assisted unit. Prior to the substitution, the SCHA will inspect the proposed substitution unit and determine reasonable rent.

N. Inspections

HQS inspections will be conducted in accordance with Section V(D) of this plan, ~~as fully set forth.~~

- 1. The Shasta County Housing Authority will inspect PBV units at the following times:
  - a. Pre-selection – the SCHA will inspect the proposed site before the proposal selection date. For existing units, units must substantially comply with HQS before the proposal selection date. Units must fully comply before the HAP contract may be executed.
  - b. Pre-HAP contract- SCHA will not enter into a HAP contract until all the units fully comply with HQS.
  - c. Turnover – Before providing assistance to a new family in a contract unit, the SCHA must inspect the unit. The unit must fully comply with HQS before a HAP contract can be executed.
  - d. Annual/Biennial Inspections – The SCHA will conduct inspections on a random sample of at least 20% of contract units in a building every 12-24 months. Turnover inspections are not counted toward annual inspections. If more than 20% of the annual sample fails the HQS inspections, 100% of the contract units in the building must be inspected.
  - e. Other times – the SCHA will inspect PBV units at other times as necessary to insure the contract units are in compliance with HQS and that the owner is providing utilities, maintenance and other services in accordance with the HAP contract.

2. The SCHA will abate and terminate PBV HAP contract for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in Section V of this plan.

O. Leases

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants, the same lease must be used for assisted tenants, except that the lease for assisted units must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD. In case of any conflict between the provisions of the lease or any other agreement between the tenant and the landlord, the requirements of the HUD-required tenancy addendum shall control."

The SCHA may review the owner's lease form to determine if the lease complies with state and local law. If the SCHA determines that the lease does not comply with state or local law, the SCHA may decline to approve the tenancy.

1. The lease must specify:

- a. Names of the owner and tenant.
- b. Any and all information needed to identify the leased contract unit.
- c. Term of the lease and any provision for renewal.
- d. The amount of tenant rent to owner.
- e. Specification of services, maintenance, equipment, and utilities to be provided by the owner.
- f. The amount of any charges for food, furniture, or supportive services.

2. If the tenant and owner agree to any changes in the lease, the change must be in writing and must be submitted to the SCHA sixty days prior to the effective date of the change. Such changes may only be made with approval of the SCHA. If the SCHA approves a change in responsibilities for utilities or rent increases, rent reasonableness must then be re-determined. The rent to owner will be re-calculated from the effective date of the change.

3. Grounds for owner termination and eviction reflect the policies outlined in Section VI of this Plan. Except that an owner may not terminate tenancy after the initial term of the lease for business or economic reasons, or to repossess the unit for personal, family, or nonresidential rental purpose. If an owner refuses to renew the lease without good cause, the family will be issued a tenant-based voucher and the unit will be removed from the HAP contract. The lease terminates if the owner terminates the lease for good cause, or the owner and tenant agree to terminate the lease. Owners who wish to terminate a HAP contract by either allowing it to expire or refusing to renew it must give the Shasta County Housing Authority and the tenant proper notice.

P. PHA Terminations

HUD regulations specify grounds for the mandatory termination of assistance. In addition, if a family violates any obligation listed on the Family Obligations form or Criminal Activity Policy the family may be terminated from the PBV program. (See Attachment B and D)

If a family vacates an assisted unit while an owner eviction process is taking place, but before a court decision is made, termination of assistance may occur. The Shasta County Housing Authority will base its decision regarding termination of eligibility on the preponderance of evidence surrounding the eviction and tenant compliance with Family Obligations.

The Violence against Women Act (VAWA) prohibits Housing Authorities from terminating housing assistance and/or tenancy for a family participating in the PBV program due to actual or threatened domestic violence, dating violence, sexual assault or stalking. (See Attachment F and G)

The termination notice will include the effective date of termination of PBV assistance, and or the families eligibility to the rental assistance program, description of the specific reasons for the termination. The termination notice will also include the information necessary for the family to file for an informal hearing regarding the termination of assistance, if they wish to do so.

Q. Current Participant Right to Move With Tenant-Based Voucher

Eligible families may terminate the assisted lease at any time after the first year of occupancy. Families who wish to move must first contact the Shasta County Housing Authority to request a voucher before submitting a lease termination notice to the owner. Once the Shasta County Housing Authority has received a written request for a voucher, the family will be issued a new voucher. If the family terminates the assisted lease before the end of one year, the family relinquishes the opportunity for continued tenant-based assistance. Requests to move for families wishing to port to another jurisdiction must be submitted in writing. If a tenant-based voucher is not available at the time of the family's request, the SCHA will give the family priority to receive the next available opportunity for continued tenant-based assistance.

R. Family Occupancy of Wrong Sized Accessible Unit

If the Shasta County Housing Authority determines that a family is occupying the wrong-size unit or a unit with accessibility features the family does not require, is needed by a family that requires the accessibility features, the Shasta County Housing Authority will offer the family continued assistance in another unit. The Shasta County Housing Authority may offer continued assistance either in another PBV unit or a tenant-based voucher. If the family is given a tenant-based voucher, policies under the Housing Choice Voucher program regarding voucher issuance and expiration will apply. If a family fails to lease a unit with the tenant-based voucher, eligibility and assistance will be terminated upon expiration of the voucher (and any subsequent extensions granted by the Shasta County Housing Authority). If continued assistance is offered in the form of a project-based voucher, the family will have ninety days to move to another unit. If the family fails to move or refuses the offer of continued assistance in another unit eligibility and PBV assistance to the family will be terminated.

S. Determining Rent to Owner

The amount of estimated rent to owner must be included in the Agreement for rehabilitated or

newly constructed housing. The actual rent to owner must be determined at the beginning of the HAP contract term for all types of housing. The amount of rent to owner is re-determined at the owner's request for a rent increase and when there is a 10% or greater decrease in the published FMR. Except for certain tax credit units, the amount of rent to owner must not exceed the lowest of: An amount determined by the SCHA that does not exceed 110% of the FMR (or any exception payment standard approved by HUD), minus the utility allowance; the reasonable rent; or the rent requested by the owner.

T. Payment To Owner

The SCHA will make HAP payments to the owner in accordance with the HAP contract for the months in which the contracted unit is leased to and occupied by an eligible family. If a family moves out of a contract unit, the owner may keep the payment for the full calendar month in which the family moves out. The owner may not keep the payment if the SCHA determines that the vacancy is the owner's fault.

The owner may not require the family to pay charges for any meals or supportive services unless the project is an assisted living development, in which case owners may charge tenants, family members, or both for meals and supportive services. These charges may not be included in the rent to owner and may not be used to calculate rent reasonableness. Nonpayment of such charges is grounds for termination under the lease only in an assisted living development. The owner may not charge tenants or family members extra amounts for items customarily included in the rent or provided at no additional cost for unsubsidized tenants on the premises.

SECTION XIII.

DEFINITIONS: Definitions of terms are as follows. If at any time, any definition below becomes or is determined to be inconsistent with HUD definitions, HUD definitions apply.

Adult: Person of age 18 or older, or legally emancipated with the capacity to enter into a contract in accordance with State and local law.

Applicant: A family or individual that seeks rental assistance under the program.

Bedroom:

- (a) The determination will be based on the characteristics of the unit rather than the characteristics of the family. The use of the room will not be a consideration in determining the room type.

- (b) A room will be classified as a bedroom if it was designed for use as a bedroom and if it meets the HQS criteria for a living/sleeping room.

Child: Person of age 17 or younger, who is not legally emancipated.

Co-head: A co-head is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one co-head.

Continually assisted: A family is considered to be "continuously assisted" if the family is already receiving assistance from a Federal Housing Program when admitted to the Voucher Program.

Dependent: A family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student.

Family: The term "family" includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- (a) A single person, who may be an elderly person, involuntarily displaced person, disabled person, near-elderly person or any other single person; or
- (b) A group of persons residing together and such group includes, but is not limited to:
  - (i) A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
  - (ii) An elderly family;
  - (iii) A near-elderly family;
  - (iv) A disabled family;
  - (v) A involuntarily displaced family; and
  - (vi) The remaining member of a tenant family. Disabled family means a family whose head (including co-head), spouse or sole member is a person with a disability. Elderly family means a family whose head (including co-head), spouse or sole member is a person who is at least 62 years of age.

Foster Person: Person who is in the legal guardianship of a State, county, or private adoption or foster care agency, yet are cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency.

Gross rent: The contract rent plus the utility allowance factor.

Head of Household: The head of household is the adult member of the household who is designated by the family as head and has the legal capacity to enter into a lease under State/local law. Emancipated minors who qualify under State law may be designated as head of household.

Homelessness: A person or family who lacks a permanent, regular, adequate nighttime residence, or has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill), or an institution that provides a temporary residence for individuals intended to be institutionalized; or a public or private place not ordinarily used as a sleeping accommodation for human beings. A homeless family does not include anyone imprisoned or detained pursuant to Federal, State, or local law or an Act of Congress.

Household: A household is comprised of the assisted family unit and all other members who have been approved by the Housing Authority to live with the family. While live-in aides, foster children and foster adults all may qualify as household members, they are not considered part of the family unit, and therefore are not entitled to benefits under the program.

Housing Quality Standards: The minimum quality standards for housing assisted under the Housing Choice Voucher program.

Involuntarily displaced family: Families who have been displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Medical Expenses: The Housing Authority will define medical expenses consistent with the Internal Revenue Service (IRS) definition, per IRS Publication 502, "Medical and Dental Expenses (Including the Health Coverage Tax Credit).

Participant: A family receiving rental assistance under the HCV program.

Payment Standard: In accordance with HUD regulations, the payment standard for the family is the lesser of the payment standard allocated to the family based on family composition (subsidy standards) or the payment standard for the size of the unit selected.

Preponderance of Evidence: A preponderance of evidence is evidence that is of greater weight or more convincing than the evidence that is offered in opposition; it is based on the more convincing evidence and its probable truth or accuracy, and not on the amount of evidence. Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

Priority within Rank: Priority among families of equal rank will be determined by date and time of application. In addition, the Housing Authority may designate other local priorities that take precedence over chronology.

TTP: The total tenant payment is the greatest of 10% of the family's gross monthly income, 30% of the family's adjusted monthly income or the minimum rent.

Utility Allowance: In accordance with HUD regulations, a utility allowance schedule is maintained for purposes of establishing the estimated utility costs for utilities and services that are necessary to provide housing that complies with Housing Quality Standards. Revisions to the utility allowance schedule are made according to HUD regulations and requirements.

Visitor: A person(s) who is not a household member, who does not exhibit a pattern of inhabiting the unit on a regular basis and can provide verification of permanent housing elsewhere.

| SECTION XIV.

ATTACHMENTS

The following attachments outline Housing Authority policies and procedures, and are a part of this Administrative Plan:

- A. Family Unification Program Action Plan
- B. Family Obligations
- C. Family Self-Sufficiency Action Plan
- D. Criminal Activity Policy
- E. Informal Hearing Procedure
- F. Violence against Women Act
- G. Shasta County Housing Authority Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault or Stalking
- H. Veterans Affairs Supportive Housing
- I. Code of Conduct
- J. Furthering Fair Housing