



**ADMISSIONS
AND
CONTINUED OCCUPANCY
POLICY
(ACOP)
FOR THE
HOUSING AUTHORITY
OF
THE CITY OF MUSKOGEE**

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CHAPTER 1

STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

The Public Housing Program was created by the U.S. Housing Act of 1937.

Administration of the Public Housing Program and the functions and responsibilities of the Public Housing Authority (PHA) or the Housing Authority of the City of Muskogee (MHA) staff shall be in compliance with its Personnel Policy, and this Admissions and Continued Occupancy Policy. The administration of this housing program will also meet the requirements of the Department of Housing and Urban Development. Such requirements include any Public Housing Regulations, Handbooks, and applicable Notices. All applicable Federal, State and local laws, including Fair Housing Laws and regulations also apply. Changes in applicable federal laws or regulations shall supersede provisions in conflict with this policy. Federal regulations shall include those found in Volume 24 CFR, Parts 1, 5, 8, 100 and 900-966 (Code of Federal Regulations).

A. HOUSING AUTHORITY MISSION STATEMENT

It is the mission of the Housing Authority of the City of Muskogee to provide safe, decent and sanitary housing to low and very low-income families, in an environment that fosters self-sufficiency and community pride.

B. LOCAL OBJECTIVES

This Admissions and Continued Occupancy Plan for the Public Housing Program is designed to demonstrate that MHA is managing its program in a manner that reflects its commitment to improving the quality of housing available to its public, and its capacity to manage housing in a manner that demonstrates its responsibility to the public trust. In addition, this Admissions and Continued Occupancy Policy is designed to achieve the following objectives:

- To provide improved living conditions for very low and low income families while maintaining their rent payments at an affordable level.
- To operate a socially and financially sound public housing agency that provides decent, safe, and sanitary housing within a drug free, suitable living environment for tenants and their families.
- To avoid concentrations of economically and socially deprived families in any one or all of MHA's public housing developments.
- To lawfully deny the admission of applicants, or the continued occupancy of residents, whose habits and practices reasonably may be expected to adversely affect the health, safety, comfort or welfare of other residents or the physical environment of the neighborhood, or create a danger to MHA employees.

- To provide opportunities for upward mobility for families who desire to achieve self-sufficiency.
- To ensure compliance with Title VI of the Civil Rights Act of 1964 and all other applicable Federal laws and regulations so that the admissions and continued occupancy are conducted without regard to race, color, religion, creed, sex, national origin, handicap or familial status.

C. PURPOSE OF THE POLICY

The purpose of this Admissions and Continued Occupancy Policy (ACOP) is to establish guidelines for the Housing Authority of the City of Muskogee staff to follow in determining eligibility for admission and continued occupancy. These guidelines are governed by the requirements of the Department of Housing and Urban Development (HUD) with latitude for local policies and procedures. These policies and procedures for admissions and continued occupancy are binding upon applicants, residents, and the PHA.

The PHA Board of Commissioners must approve the original policy and any changes. Required portions of this Plan will be provided to HUD.

D. FAIR HOUSING POLICY

It is the policy of the Housing Authority of the City of Muskogee (MHA) to comply fully with all Federal, State and local nondiscrimination laws and with rules and regulations governing Fair Housing and Equal Opportunity in housing and employment. MHA will comply with all laws relating to Civil Rights, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- Any applicable State laws or local ordinances and any legislation protecting individual rights of tenants, applicants or staff that may subsequently be enacted.

MHA shall not discriminate because of race, color, sex, religion, familial status, disability, national origin, marital status, or sexual orientation in the leasing, rental, or other disposition of housing or related facilities, including land, that is part of any project or projects under MHA's jurisdiction covered by a contract for annual contributions under the United States Housing Act of 1937, as amended, or in the use or occupancy thereof.

Posters and housing information are displayed in locations throughout the Housing Authority of the City of Muskogee in such a manner as to be easily readable from a wheelchair.

To further its commitment to full compliance with applicable Civil Rights laws, MHA will provide Federal/State/local information to public housing residents regarding "discrimination" and any recourse available to them if they believe they are victims of discrimination. Such information will be made available to them during the resident orientation session.

The Housing Authority of the City of Muskogee Central Office and all of its public housing developments are accessible to persons with disabilities.

MHA shall not, on account of race, color, sex, religion, familial status, disability, national origin, marital status, or sexual orientation:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to lease housing suitable to its needs;
- Provide housing that is different from that provided to others;
- Subject a person to segregation or disparate treatment;
- Restrict a person's access to any benefit enjoyed by others in connection with the housing program;
- Treat a person differently in determining eligibility or other requirements for admission; or
- Deny a person access to the same level of services.

MHA shall not automatically deny admission to a particular group or category of otherwise qualified applicants (e.g., families with children born to unmarried parents, elderly families with pets).

E. SERVICE AND ACCOMMODATIONS POLICY

It is the policy of the Housing Authority of the City of Muskogee to provide courteous and efficient service to all applicants for housing assistance. In that regard, MHA will endeavor to accommodate persons with disabilities, as well as those persons with language and literacy barriers.

This policy is applicable to all situations described in this Admissions and Continued Occupancy Policy when a family initiates contact with MHA, when MHA initiates contact with a family including when a family applies, and when MHA schedules or reschedules appointments of any kind.

MHA policies and practices will be designed to provide assurances that all persons with disabilities will be provided reasonable accommodation so they may fully access and utilize the housing program and related services. The availability of specific accommodations will be made known by including notices on MHA forms and letters to all families, and all requests will be verified so that MHA can properly accommodate the need presented by the disability.

Federal Americans with Disabilities Act of 1990

With respect to an individual, the term "disability," as defined by the 1990 Act means:

- A physical or mental impairment that substantially limits one or more of the major life activities of an individual; or
- A record of such impairment, or
- Being regarded as having such impairment.

Undue Hardship

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability and they do not create an "undue financial and administrative burden" for MHA, meaning an action requiring "significant difficulty or expense."

In determining whether accommodation would create an undue hardship, the following guidelines will apply:

- The nature and cost of the accommodation needed;
- The overall current financial resources of the facility or facilities involved in the provision of the reasonable accommodation; and
- The number of persons currently employed at such facility, the number of families likely currently to need such accommodation, the effect on expenses and resources, or the likely impact on the operation of the facility as a result of the accommodation.

Verification of a Request for Accommodation

All requests for accommodation or modification of a unit will be verified with a reliable, knowledgeable, and professional.

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability.

MHA will require verification from a knowledgeable professional when a request for a home visit recertification is submitted.

Reasonable Accommodation

Reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to provide some information, but only with the permission of the person with the disability.

All of MHA mailings will be made available in an accessible format upon request, as a reasonable accommodation.

Application Process

For purposes of this section, the Housing Authority of the City of Muskogee will make the following types of accommodations to persons with disabilities to facilitate the application process:

- Permitting the submission of applications or certification forms via mail.
- Permitting an authorized designee to participate in the application or certification process.

Recertification by Mail

MHA will permit the family to submit annual and interim recertification forms through the mail, when it has determined that the request is necessary as a reasonable accommodation.

The mail-in packet will include notice to the family of MHA's deadline for returning the completed forms to MHA.

If there is more than one adult member in the household, but only one is disabled, recertifications will not be processed through the mail. In such cases, the family may choose to have MHA conduct the recertification by a home visit or to have the able adult family members come in for the appointment and then take the necessary forms home to the member with a disability for completion and signature.

F. TRANSLATION OF DOCUMENTS

The Housing Authority will provide a bilingual person to assist non-English speaking families in Spanish and will consider providing translation of MHA documents into Spanish upon request by an applicant or tenant.

In determining whether it is feasible to translate documents into other languages, MHA will consider the following factors:

- Evaluation of the need for translation by a bilingual person and by agencies that work with the non-English speaking clients.
- The availability of local organizations to provide translation services to non- English speaking families.

G. LANGUAGE ASSISTANCE

The Housing Authority of the City of Muskogee will provide readers to assist persons with literacy barriers in completing the application and certification process.

MHA will refer persons with literacy barriers to appropriate community literacy programs for assistance with the completion of the application and certification process.

H. PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS) OBJECTIVES

MHA operates its public housing program with efficiency and can demonstrate to HUD or independent auditors that MHA is using its resources in a manner that reflects its commitment to quality and service. MHA policies and practices are consistent with the new Public Housing Assessment System (PHAS) outlined in the 24 CFR Parts 901 and 902 final published regulations.

MHA is continuously assessing its program and consistently strives to make improvements. MHA acknowledges that its performance ratings are important to sustaining its capacity to maintain flexibility and authority. MHA intends to diligently manage its current program operations and continuously make efforts to be in full compliance with PHAS. The policies and procedures of this program are established so that the standards set forth by PHAS are demonstrated and can be objectively reviewed by an auditor whose purpose is to evaluate performance.

I. FAMILY OUTREACH

MHA will publicize and disseminate information to make known the availability of housing units and housing-related services for income qualifying families on a regular basis.

MHA will communicate the status of housing availability to other service providers in the community. MHA will advise them of housing eligibility factors and guidelines in order that they can make proper referrals for those who seek housing.

When MHA's waiting list is open, it will periodically publicize the availability and nature of housing assistance for very low income and low-income families in a newspaper of general circulation, including local minority publications and other suitable means.

Notices will be provided in English and Spanish.

To reach persons who cannot read the newspapers, MHA will distribute fact sheets to the broadcast media and utilize public service announcements.

J. PRIVACY RIGHTS

Applicants and participants, including all adults in their households, are required to sign the form HUD-9886, "Authorization for Release of Information and Privacy Act Notice." This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD will release family information.

MHA's policy regarding release of information is in accordance with State and local laws that may restrict the release of family information.

Any and all information that would lead one to determine the nature and/or severity of a person's disability must be kept in a separate folder and marked "confidential." The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by the staff person designated by the Executive Director.

Files will never be left unattended or placed in common areas.

MHA staff will not discuss or access family information contained in files unless there is a business reason to do so. Staff will be required to disclose whether s/he has relatives living in Public Housing. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

K. POSTING OF REQUIRED INFORMATION

The Housing Authority of the City of Muskogee will maintain a bulletin board in a conspicuous area of the Central Office and all of its public housing development locations that will contain:

- Statement of policies and procedures governing Admissions and Continued Occupancy Policy (ACOP) or a notice of where the policy is available
- Information on application taking
- Directory of the MHA's housing sites including names, address of offices and office hours at each facility.
- Income limits for Admission
- Current schedule of routine maintenance charges
- Copy of the Lease
- MHA's grievance procedures
- Fair Housing Poster
- An Equal Opportunity in Employment poster
- Current Resident Notices
- Required public notices
- Security Deposit Charges

- Information on preferences
- Schedule of Utility Allowances (if applicable)
- Information on Screening and Eviction for Drug Abuse and other Criminal Activity.

L. TERMINOLOGY

The Housing Authority of the City of Muskogee is referred to as "PHA" or "Housing Authority" or "HA" throughout this document.

"Family" is used interchangeably with "Applicant," "Resident" or "Participant" or can refer to a single-person family.

"Tenant" is used to refer to participants in terms of their relation as a lessee to the PHA as the landlord.

"Landlord" refers to the PHA.

"Disability" is used where "handicap" was formerly used.

"Noncitizens Rule" refers to the regulation effective June 19, 1995, restricting assistance to U.S. citizens and eligible immigrants.

See Glossary for other terminology.

Chapter 2

ELIGIBILITY FOR ADMISSION

INTRODUCTION

This Chapter defines both HUD's and the PHA's criteria for admission and denial of admission to the program. The policy of the Housing Authority of the City of Muskogee is to strive for objectivity and consistency in applying these criteria to evaluate the qualifications of families who apply. MHA staff will review all information provided by the family carefully and without regard to factors other than those defined in this Chapter. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by MHA pertaining to their eligibility.

A. QUALIFICATION FOR ADMISSION

It is MHA's policy to admit qualified applicants only. An applicant is qualified if he or she meets the following criteria:

- Is a family as defined in this Chapter;
- Heads a household where at least one member of the household is either a citizen or eligible non-citizen.
- Has an Annual Income at the time of admission that does not exceed the low-income limit for occupancy established by HUD and posted separately in the PHA offices.
- Provides a Social Security number for all family members;
- Meets or exceeds the tenant Selection and Suitability Criteria as set forth in this policy.

Timing for the Verification of Qualifying Factors

The qualifying factors of eligibility, with the exception of income eligibility, will not be verified until the family is in a position on the waiting list to be offered a housing unit.

B. FAMILY COMPOSITION

Definition of Family

The applicant must qualify as a Family. A Family may be a single person or a group of persons. Discrimination on the basis of familial status is prohibited, and a group of persons may not be denied solely on the basis that they are not related by blood, marriage or operation of law. For occupancy standards purposes, the applicant may claim a spousal relationship (see chapter on Occupancy Guidelines).

A group of persons is defined by MHA as two or more persons who intend to share residency, whose income and resources are available to meet the family's needs, and who will live together in public housing.

Elderly, disabled, and displaced families are defined by HUD in CFR 5.403.

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

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

In addition, for categorizing family as defined above, the terms disabled family, elderly family, and near-elderly family (per 24 CFR 5.403) are:

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.

Near elderly family means a family whose head (including co-head), spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62.

Occupancy by Police Officers

In order to provide an increased sense of security for public housing residents, MHA may allow public housing units to be occupied by law enforcement officers at zero rent.

Head of Household

The head of household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law.

Emancipated minors who qualify under State law will be recognized as head of household if there is a court order recognizing them as an emancipated minor.

Spouse of Head

Spouse means the husband or wife of the head.

For proper application of the Noncitizens Rule, the definition of spouse is: the marriage partner whom, in order to dissolve the relationship, and would have to be divorced. It includes the partner in a common law marriage. The term "spouse" does not apply to boyfriends, girlfriends, significant others, or co-heads.

Co-head

An individual in the household who is equally responsible for the lease with the Head of Household. A household may have either a spouse or co-head, but not both. A co-head never qualifies as a dependent.

Live-in Attendants

A Family may include a live-in aide provided that such live-in aide:

- Is determined by MHA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities,
- Is not obligated for the support of the person(s), and
- Would not be living in the unit except to provide care for the person(s).

A live-in aide is not considered to be an assisted family member and has no rights or benefits under the program:

- Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.
- Live-in aides are not subject to Noncitizen Rule requirements.
- Live-in aides may not be considered as a remaining member of the tenant family.

Relatives are not automatically excluded from being live-in aides, but they must meet all of the elements in the live-in aide definition described above.

A Live-in Aide may only reside in the unit with the approval of MHA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near elderly (50-61) or disabled.

Verification of the need for a live-in aide must include the hours the care will be provided.

After MHA approves the addition of a live-in aide on behalf of a resident, the resident must submit a specific live-in aide's name and other information requested for approval by MHA within 30 calendar days of MHA's notification.

- If the 30 calendar days expire, the resident will have to resubmit an application for approval of a live-in aide.

A specific live-in aide may only reside in the unit with the approval of MHA. MHA shall make the live-in aide subject to the agency's normal screening criteria. The applicant/resident will be responsible for any actions of the live-in aide.

MHA has the right to disapprove a request for a live-in aide based on the "Other Eligibility Criteria" described in this Chapter.

C. MANDATORY SOCIAL SECURITY NUMBERS

Families are required to provide verification of Social Security Numbers for all family members that are 6 years of age and above prior to admission. Applicant families will have a 90-day period to provide the documentation necessary to verify the Social Security Number of a family member under the age of 6 years. An extension of one additional 90-day period will be granted if MHA determines, in its discretion, the applicant's failure to comply was due to circumstances that could not reasonably have been foreseen and were outside of the control of the applicant. This requirement also applies to persons joining the family after admission to the program.

Failure to furnish verification of social security numbers within the authorized time period is grounds for denial of admission or termination of tenancy.

D. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one of the six immigrant categories as specified by HUD.

For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

Mixed Families. A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed". Such applicant families will be given notice that their income-based assistance (TTP) will be pro-rated and that they may request a hearing if they contest this determination. The family rent is based off of the higher of the flat rent, household TTP, and mixed family TTP.

No eligible members. Applicant families that include no eligible members will be ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing.

Noncitizen students defined by HUD in the noncitizen regulations are not eligible for assistance.

MHA will establish and verify eligibility no later than the date of the family's annual reexamination following October 21, 1998.

E. OTHER ELIGIBILITY CRITERIA

All applicants will be processed in accordance with HUD's regulations and sound management practices. Applicants will be required to demonstrate ability to comply with essential provisions of the lease as summarized below.

All applicants must demonstrate through an assessment of current and past behavior the ability:

- to pay rent and other charges as required by the lease in a timely manner;
- to care for and avoid damaging the unit and common areas;
- to maintain sound housekeeping practices;
- to use facilities, appliances and equipment in a reasonable way;
- to create no health or safety hazards, and to report maintenance needs in a timely manner;
- not to interfere with the rights and peaceful enjoyment of others and to avoid damaging the property of others;
- not to engage in criminal activity or alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents or staff and not to engage in drug-related criminal activity on or off MHA premises;
- not to have ever been convicted of manufacturing or producing methamphetamine, also known as "speed," on or off the premises of assisted housing;
- not to contain a household member subject to lifetime sex offender registration requirement under a State Sex offender registration program;
- to comply with necessary and reasonable rules and program requirements of HUD and MHA; and,
- to comply with local health and safety codes.

Denial of Admission for Previous Debts to This or Any Other PHA

Previous outstanding debts (debts that have not Prescribed) to the Housing Authority of the City of Muskogee or any PHA resulting from a previous tenancy in the public housing, Section 8, or any other housing managed and or owned by the Muskogee Housing Authority must be paid in full prior to admission. No payment agreement will be accepted.

Either spouse is responsible for the entire debt incurred as a previous PHA tenant. Children of the head or spouse who had incurred a debt to the PHA will not be held responsible for the parent's previous debt.

F. DENIAL OF ADMISSION FOR DRUG-RELATED AND/OR OTHER CRIMINAL ACTIVITY

Purpose

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of the Housing Authority of the City of Muskogee to fully endorse and implement a policy that is designed to:

- Help create and maintain a safe and drug-free community;
- Keep our program participants free from threats to their personal and family safety;
- Support parental efforts to instill values of personal responsibility and hard work;
- Help maintain an environment where children can live safely, learn and grow up to be productive citizens; and
- Assist families in their vocational/educational goals in the pursuit of self-sufficiency.

Administration

All screening procedures shall be administered fairly and in such a way as not to discriminate on the basis of race, color, nationality, religion, sex, familial status, disability or against other legally protected groups, and not to violate right to privacy.

To the maximum extent possible, MHA will involve other community and governmental entities in the promotion and enforcement of this policy.

This policy will be posted on MHA's bulletin board and copies made readily available to applicants and tenants upon request.

HUD Definitions

"Drug-related criminal activity" is the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute or use a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

Drug-related criminal activity means *on or off the premises, not just on or near the premises*.

"Covered person" means a tenant, any member of the tenant's household, a guest, or another person under the tenant's control.

"Criminal activity" includes any criminal activity that threatens the health, safety or right to peaceful enjoyment of the resident's public housing premises by other residents or employees of MHA.

"Drug" means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

"Guest" for purposes of this Chapter, means a person temporarily (less than 14 days per calendar year) staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

"Household" means the family and MHA-approved live-in aide.

"Other person under the tenant's control," for the purposes of the definition of "covered person," means that the person, although not staying as a guest (as defined above) in the unit is, or was at the time of the activity in question, on the premises (as defined in this section) because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

"Premises" means the building or complex or development in which the public housing dwelling unit is located, including common areas and grounds.

"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.

Screening for Drug Abuse and Other Criminal Activity

In an effort to prevent drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or the right to peaceful enjoyment of the premises by other residents, MHA will endeavor to screen applicants as thoroughly and fairly as possible.

If in the past MHA initiated a lease termination, which may or may not have resulted in eviction for any reason cited under the Screening and Eviction for Drug Abuse and Other Criminal Activity Notice, for a family, as a prior resident of public housing, MHA shall have the discretion to consider all circumstances of the case regarding the extent of participation by non-involved family members.

Initial screening will be limited to routine inquiries of the family and any other information provided to MHA regarding this matter. The inquiries will be standardized and directed to all applicants by inclusion in the application form.

If as a result of the standardized inquiry, or the receipt of a verifiable referral, there is indication that the family or any family member is engaged in drug-related criminal or violent criminal activity, MHA will conduct closer inquiry to determine whether the family should be denied admission. MHA will consider excluding the household member(s) with criminal history problems, thereby permitting the "new" household to qualify for admissions.

If the screening indicates that any family member has been convicted within the prior 5 years for drug-related or violent criminal activity, MHA shall obtain verification through police/court records.

Violence Against Women Act Provision

That an applicant or participant is or has been a victim of domestic violence, dating violence, or stalking is not an appropriate basis for denial or program assistance or for denial of admission of an otherwise qualified applicant. Nothing in this section supersedes a Federal, State, or local law that provides greater protection for victims.

Use of Law Enforcement Records

MHA will check criminal history for all applicants who are 18 years of age or older in the household to determine whether any member of the family has engaged in violent or drug-related criminal activity.

MHA will check criminal history for all applicants who are 18 years of age or older in the household to determine whether any member of the family is subject to a lifetime sex offender registration requirement.

Verification of any past activity will be done prior to final eligibility and will include a check of conviction records and arrest records with local law enforcement agencies.

Standard for Violation

Persons evicted from public housing, Indian housing, Section 23, or any Section 8 program because of drug-related and/or violent criminal activity are ineligible for admission to Public Housing for a five-year period beginning on the date of such eviction.

MHA will admit the household if it determines:

- The circumstances leading to the eviction no longer exist. For example, the individual involved in drugs is no longer in the household because the person has died or is imprisoned.

No member of the applicant's family may have engaged in drug related or violent criminal activity within the past 5 years.

MHA will deny participation in the program to applicants where MHA determines there is reasonable cause to believe that the person is illegally using a controlled substance or engages in drug-related or other criminal activity. The same will apply if it is determined that the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents. This includes cases where MHA determines that there is a pattern of illegal use of controlled substances or a pattern of alcohol abuse.

"Engaged in or engaging in or recent history of" drug-related criminal activity means any act within the past 5 years by applicants or participants, household members, or guests which involved drug-related criminal activity including, without limitation, drug-related criminal activity, possession and/or use of narcotic paraphernalia, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

"Engaged in or engaging in or recent history of" criminal activity means any act within the past 5 years by applicants or participants, household members, or guests which involved criminal activity that would threaten the health, safety or right to peaceful enjoyment of the public housing premises by other residents or employees of MHA, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

MHA may waive the requirement regarding drug-related criminal activity if:

- The individual involved in drug-related criminal activity is no longer in the household because the person is incarcerated.

MHA may permit eligibility for occupancy and impose conditions that the involved family member(s) does not reside in the unit. MHA will consider evidence that the person is no longer in the household such as divorce decree/incarceration/death/copy of a new lease with the owner's telephone number and address/or other substantiating evidence.

Permanent Denial of Admission

MHA will permanently deny admission to public housing persons convicted of manufacturing or producing methamphetamine on the premises of the assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds. MHA will not waive this requirement.

Prohibition on Persons Subject to Lifetime Sex Offender Registration Requirement

MHA will deny admission to public housing to any family in which a family member is subject to a lifetime sex offender registration requirement. This provision will not be waived. MHA shall perform necessary criminal history background checks in the State where the housing is located and in any other States where household members are known to have resided.

Other Criminal Activity

"Other criminal activity" means a history of criminal activity involving crimes of actual or threatened violence to persons or property, or a history of other criminal acts, conduct or behavior which would adversely affect the health, safety, or welfare of other residents.

For the purposes of this policy, this is construed to mean that a member of the current family has been arrested or convicted of any violent criminal or drug-related criminal activity within the past 5 years.

HUD defines violent criminal activity as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property, and the activity is being engaged in by any family member.

Applicants and/or their household members who have been convicted of criminal sexual conduct, including but not limited to sexual assault, incest, statutory sexual seduction, open and gross lewdness, or child abuse, and are required by law to register as a sex offender will be prohibited from participation in the public housing program.

No family member may have engaged in or threatened abusive or violent behavior toward MHA personnel at any time within the past 5 years.

No family member may have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program in the last 5 years.

Evidence

"Preponderance of evidence" is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred.

- Preponderance of evidence is not to be determined by the number of witnesses, but by the greater weight of all evidence.

"Credible evidence" may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence, can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants, evidence gathered by MHA inspectors and/or investigators, and evidence gathered from other sources.

MHA may pursue fact-finding efforts as needed to obtain credible evidence.

Confidentiality of Criminal Records

MHA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

If the family is determined eligible for initial or continued assistance, MHA's copy of the criminal report shall be shredded as soon as the information is no longer needed for eligibility or continued assistance determination. A certification shall be placed in the tenant file as evidence of the families compliance and eligibility.

If the family's assistance is denied or terminated, the criminal record information shall be maintained in the application file.

MHA will document in the family's file that the family was denied admission or the tenancy was terminated due to findings in the Criminal History Report.

G. SCREENING FOR SUITABILITY

In developing its admission policies, the aim of MHA is to attain a tenant body composed of families with a broad range of incomes and to avoid concentrations of the most economically deprived families and families with serious social problems. Therefore, it is the policy of the Housing Authority of the City of Muskogee to deny admission to applicants whose habits and practices may reasonably be expected to have a detrimental effect on the operations of the development or neighborhood or on the quality of life for its residents.

MHA will conduct a detailed interview of all applicants. The interview form will contain questions designed to evaluate the qualifications of applicants to meet the essential requirements of tenancy. Answers will be subject to third party verification.

An applicant's intentional misrepresentation of any information related to eligibility, award of preference for admission, housing history, allowances, family composition or rent will result in denial of admission.

Applicants must be able to demonstrate the ability and willingness to comply with the terms of the lease, either all or with assistance that they can demonstrate they have or will have at the time of admission. The availability of assistance is subject to verification by MHA.

MHA does not permit a parent or legal guardian to co-sign the Lease on the applicant's behalf if the head of household is under 18 and, under State/local law, does not have the legal capacity to enter into a legally binding contract.

As a part of the final eligibility determination, MHA will screen each applicant household to assess their suitability as renters.

MHA will complete a rental history check on all applicants.

MHA will complete a credit check on all applicants.

The Housing Authority shall rely upon sources of information which may include, but are not limited to, MHA records, personal interviews with the applicant or tenant, interviews with previous landlords, employers, family social workers, parole officers, criminal and court records, clinics, physicians or the police department, and home visits for persons who have had negative landlord reference(s) for poor housekeeping habits.

This will be done in order to determine whether the individual attributes, prior conduct, and behavior of a particular applicant is likely to interfere with other tenants in such a manner as to diminish their enjoyment of the premises by adversely affecting their health, safety or welfare.

Factors to be considered in the screening are housekeeping habits, rent paying habits, prior history as a tenant, criminal records, the ability of the applicant to maintain the responsibilities of tenancy, and whether the conduct of the applicant in present or prior housing has been such that admission to the program would adversely affect the health,

safety or welfare of other residents, or the physical environment, or the financial stability of the project.

MHA's examination of relevant information pertaining to past and current habits or practices will include, but is not limited to, an assessment of:

- The applicant's past performance in meeting financial obligations especially rent.
- Eviction or a record of disturbance of neighbors, destruction of property, or living or housekeeping habits at present or prior residences which may adversely affect the health, safety, or welfare of other tenants or neighbors.
- Any history of criminal activity on the part of any applicant family member involving criminal acts, including drug-related criminal activity.
- Any history or evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy by neighbors.
- Any history of initiating threats or behaving in a manner indicating intent to assault employees or other tenants.
- Any history of alcohol or substance abuse that would threaten the health, welfare, or right to peaceful enjoyment of the premises by other residents.

The ability and willingness of an applicant to comply with the essential lease requirements will be verified and documented by MHA. The information to be considered in the screening process shall be reasonably related to assessing the conduct of the applicant and other family members listed on the application in present and prior housing.

The history of applicant conduct and behavior must demonstrate that the applicant family can reasonably be expected not to:

- Interfere with other residents in such a manner as to diminish their peaceful enjoyment of the premises by adversely affecting their health, safety, or welfare.
- Adversely affect the physical environment or financial stability of the project.
- Violate the terms and conditions of the Lease.
- Require services from MHA staff that would alter the fundamental nature of its program.

Rent Paying Habits

MHA will examine any Housing Authority records from a prior tenancy, and will request written references from the applicant's current landlord and may request written references from former landlords for up to the past 36 months.

Based upon these verifications, MHA will determine if the applicant was chronically late with rent payments, was evicted at any time during the past 12 months for nonpayment of

rent, or had other legal action initiated against him/her for debts owed. Any of these circumstances could be grounds for an ineligibility determination, depending on the amount of control the applicant had over the situation.

MHA will undertake a balancing test that will consider: (1) amount of former rent; (2) loss of employment; (3) death or divorce from primary support; (4) illness or other circumstances beyond applicant's control. Any of these circumstances could be grounds for an ineligibility determination, depending on the amount of control the applicant had over the situation.

The lack of credit history will not disqualify a family, but a poor credit history will, with the exceptions noted above.

Where past rent paying ability cannot be documented, MHA will check with the utility company(s) to determine whether the family has been current and timely on their payments.

Screening Applicants Who Claim Mitigating Circumstances

Mitigating circumstances are facts relating to the applicant's record of unsuitable rental history or behavior, which, when verified would indicate both: (1) the reason for the unsuitable rental history and/or behavior; and (2) that the reason for the unsuitable rental history and behavior is no longer in effect or is under control, and the applicant's prospect for lease compliance is an acceptable one, justifying admission.

If unfavorable information is received about an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors that might indicate a reasonable probability of favorable future conduct. In order to be factored into the MHA's screening assessment of the applicant, mitigating circumstances must be verifiable.

If the mitigating circumstances claimed by the applicant relate to a change in disability, medical condition or course of treatment, MHA shall have the right to refer such information to persons who are qualified and knowledgeable to evaluate the evidence and to verify the mitigating circumstance. MHA shall also have the right to request further information reasonably needed to verify the mitigating circumstance, even if such information is of a medically confidential nature. Such inquiries will be limited to the information necessary to verify the mitigating circumstances or, in the case of a person with disabilities, to verify a reasonable accommodation.

A rejected applicant has a right for an informal review and a right to have a representative present.

Examples of Mitigating Circumstances

Evidence of the applicant family's participation in and completion of social service or other appropriate counseling service approved by MHA;

Evidence of successful and sustained modification of previous disqualifying behavior.

Consideration of mitigating circumstances does not guarantee that the applicant will qualify for admission. MHA will consider such circumstances in light of:

- The applicant's ability to substantiate through verification the claim of mitigating circumstances and his/her prospects for improved future behavior; and
- The applicant's overall performance with respect to all the screening requirements.

Qualified and Unqualified Applicants

Information that has been verified by the Housing Authority will be analyzed and a determination will be made with respect to:

- The eligibility of the applicant as a *family*;
- The eligibility of the applicant with respect to income limits for admission;
- The eligibility of the applicant with respect to citizenship or eligible immigration *status*;
- Any local preference to which the family is entitled.

Assistance to a family may not be delayed, denied or terminated on the basis of the family's ineligible immigration status, unless and until the family completes all the verification and appeals processes to which they are entitled under both INS and MHA procedures, except for a pending MHA hearing.

Applicants who are determined to be unqualified for admission will be promptly notified with a Notice of Denial of Admission stating the reason for the denial. MHA shall provide applicants an opportunity for an informal hearing (see Chapter titled "Complaints, Grievances, and Appeals").

MHA will make every effort to accurately estimate an approximate date of occupancy. However, the date given by MHA does not mean that applicants should expect to be housed by that date. The availability of a suitable unit to offer a family is contingent upon factors not directly controlled by MHA, such as turnover rates, and market demands as they affect bedroom sizes and project location.

Documenting Findings

An authorized representative of the Housing Authority shall document any pertinent information received relative to the following:

Criminal Activity - includes the activities listed in the definition of criminal activity in this Chapter.

Pattern of Violent Behavior - includes evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy of neighbors.

Pattern of Drug Use - includes a determination by MHA that the applicant has exhibited a pattern of illegal use of a controlled substance, which might interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

Drug-Related Criminal Activity - includes a determination by MHA that the applicant has been involved in the illegal manufacture, sale, distribution, use or possession of a controlled substance.

Pattern of Alcohol Abuse - includes a determination by MHA that the applicant's pattern of alcohol abuse might interfere with the health, safety or right to peaceful enjoyment of the premises by other residents. Verification will include, but not be limited to, police reports, landlord reports, and rental history reports.

Initiating Threats - behaving in a manner indicating an intent to assault employees or other tenants.

Abandonment of a Public Housing Unit - without advising MHA officials so that staff may secure the unit and protect its property from vandalism.

Non-Payment of Rightful Obligations - including rent and/or utilities and other charges owed to MHA or any other PHA.

Intentionally Falsifying an Application for Leasing - including uttering or otherwise providing false information about family income and size, using an alias on the application for housing, or making any other material false statement or omission intended to mislead.

Record of Serious Disturbances of Neighbors, Destruction of Property or Other Disruptive or Dangerous Behavior - consists of patterns of behavior which endanger the life, safety, or welfare of other persons by physical violence, gross negligence or irresponsibility; which damage the equipment or premises in which the applicant resides, or which are seriously disturbing to neighbors or disrupt sound family and community life, indicating the applicant's inability to adapt to living in a multi-family setting. Includes judicial termination of tenancy in previous housing on the grounds of nuisance or objectionable conduct, or frequent serious disturbances of neighbors.

Grossly Unsanitary or Hazardous Housekeeping - includes the creation of a fire hazard through acts such as hoarding rags, papers, or other materials; severe damages to premises and equipment, if it is established that the family is responsible for the condition; seriously affecting neighbors by causing infestation, foul odors, depositing garbage in halls; or serious neglect of the premises. This category does not include families whose housekeeping is found to be superficially unclean or due to lack of orderliness, where such conditions do not create a problem for neighbors.

Destruction of Property from previous rentals.

In the event of the receipt of unfavorable information with respect to an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors, which might indicate a reasonable probability of favorable future conduct or financial prospects.

MHA may waive the policies prohibiting admission in these circumstances if the person demonstrates to MHA's satisfaction that the person is no longer engaging in illegal use of a controlled substance or abuse of alcohol and has successfully completed a supervised drug or alcohol rehabilitation program.

Prohibited Criteria for Denial of Admission

Applicants will NOT be rejected solely because they:

- Have no income;
- Are not employed;
- Do not participate in a job-training program;
- Will not apply for various welfare or benefit programs;
- Have children;
- Have children born out of wedlock;
- Are on welfare;
- Are students.

H. HEARINGS

If information is revealed that would cause MHA to deny admission to the household and the person disputes the information, s/he shall be given an opportunity for an informal hearing according to MHA's hearing procedures outlined in the Chapter on Complaints, Grievances and Appeals.

Chapter 3

APPLYING FOR ADMISSION

INTRODUCTION

The policy of the Housing Authority of the City of Muskogee is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This Chapter describes the policies and procedures for completing an initial application for assistance, placement and denial of placement on the waiting list, and limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but MHA will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be placed on the waiting list in accordance with this Policy.

A. HOW TO APPLY

Families who wish to apply for any of MHA’s programs must complete an electronic application form via the housing authority’s website, www.muskogeehousing.org. Applications will be made available in an accessible format upon request from a person with a disability.

Persons with disabilities may call MHA to receive an application through the mail or make other arrangements to complete their application as a reasonable accommodation.

MHA operates a “Site-Based Waiting List” system. Applicants must submit the completed application via the applicant portal.

HOUSING DEVELOPMENT LOCATIONS:

PORT CITY ACRES	GREEN COUNTRY HONOR HEIGHTS VILLAGE	TOWERS
2103 North 36 th Street Muskogee, OK 74401 918-682-3672 Fax: 918-682-4006	1518 South 5 th Street Muskogee, OK 74401 918-687-5631 Fax: 918-687-6539	300 North 40 th Street Muskogee, OK 74401 918-687-6301 x224 Fax: 918-683-8026

B. COMPLETION OF A FULL APPLICATION

The application will contain questions designed to obtain the following information:

- Names of head and spouse

- Names of adult members and age of all members
- Number of family members (used to estimate bedroom size needed)
- Street address and phone numbers
- Mailing address (if PO Box or other permanent address)
- Annual income
- Asset Information
- Source(s) of income received by household members to determine preference qualification
- Sufficient additional information to determine preference qualification
- Information regarding request for reasonable accommodation or for accessible unit
- Social Security Numbers
- Race/ethnicity
- Arrests/Convictions for Drug Related or Criminal Activity
- Previous addresses
- Names and addresses of current and previous landlords
- Emergency contact person and address
- Questions regarding previous participation in HUD programs

All preferences claimed on the application or while the family is on the waiting list will be verified:

- After the family is selected from the waiting list, and prior to completing the final eligibility determination.

If a preference cannot be verified, said applicant will be returned to their proper place on the waiting list and preference removed.

The qualification for preference must exist at the time the preference is verified regardless of the length of time an applicant has been on the waiting list because the preference is based on current status.

Applicants on the waiting list who will be selected in the near future will be sent a preference verification and eligibility appointment letter (see Chapter on Tenant Selection and Assignment Plan). The letter will notify the applicant of an application interview and request the applicant to bring all documents, which verify all factors to be verified. Factors to be verified will be listed in the letter.

These documents will be used for verification only if third-party verification cannot be obtained.

C. NOTIFICATION OF APPLICANT STATUS

Applicant status may be verified via the applicant portal.

If the family is determined to be ineligible based on the information provided in the pre-application, MHA will notify the family in writing (in an accessible format upon request

as a reasonable accommodation), state the reason(s), and inform them of their right to an informal hearing. Persons with disabilities may request to have an advocate attend the informal hearing as an accommodation. See Chapter on "Complaints, Grievances and Appeals."

Requirement to Attend Interview

MHA utilizes the full application interview to discuss the family's circumstances in greater detail, to clarify information that has been provided by the family, and to ensure that the information is complete. The interview is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification process, as well as to advise the family of other MHA services or programs, which may be available.

All adult family members must attend the interview and sign the housing application. Exceptions may be made for adult students attending school out of state or for members for whom attendance would be a hardship.

It is the applicant's responsibility to reschedule the interview if s/he misses the appointment. If the applicant does not reschedule or misses one scheduled meeting(s), MHA will reject the application.

If an applicant fails to appear for their interview without prior approval of MHA, their application will be denied unless they can provide acceptable documentation to MHA that an emergency prevented them from calling.

Reasonable accommodation will be made for persons with a disability who requires an advocate or accessible offices. A designee will be allowed to provide some information, but only with permission of the person with a disability.

If an application is denied due to failure to attend the full application interview, the applicant will be notified in writing that his/her name will be removed from the public housing waiting list within ten working days from the date of the removal letter. Applicant will be notified that he/she is entitled to an informal hearing. (See Chapter on Complaints, Grievances and Appeals.)

All adult members, and head of household and spouse regardless of age, must sign the HUD-9886 form, "Release of Information," the declarations and consents related to citizenship/immigration status and any other documents required by MHA. Applicants will be required to sign specific verification forms for information that is not covered by the HUD-9886. Failure to do so will be cause for denial of the application for failure to provide necessary certifications and releases as required by MHA.

Information provided by the applicant will be verified, including information related to family composition, income, allowances and deductions, assets, eligible immigration status, full-time student status and other factors related to preferences, eligibility and rent calculation.

If MHA determines at or after the interview that additional information or document(s) are needed, MHA will request the document(s) or information in writing. The family will be given 5 working days to supply the information.

If the information is not supplied in this time period, MHA will provide the family a notification of denial for assistance. (See Chapter on Complaints, Grievances and Appeals.)

D. PROCESSING APPLICATIONS

As families approach the top of the waiting list, the following items will be verified to determine qualification for admission to MHA's housing:

- Preference verification (if any)
- Family composition and type (elderly/non elderly)
- Annual Income
- Assets and Asset Income
- Deductions from Annual Income
- Social Security Numbers of all family members
- Information used in applicant screening
- Citizenship or eligible immigration status
- Criminal History Report

E. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY

After the verification process is completed, MHA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by MHA, and the tenant suitability determination (see Chapter on Eligibility for Admission).

Because HUD can make changes in rules or regulations and family circumstances may have changed during the review process that affect an applicant's eligibility, it is necessary to make final eligibility determination.

The household is not actually eligible for a unit offer until this final determination has been made, even though they may have been preliminarily determined eligible and may have been listed on the waiting list.

Any time after final eligibility determination, applicants must report changes in family status, including income, family composition, and address, in writing, within 15 calendar days of the change. If the family did not report the change within the required time frame, the family will be determined ineligible and offered an opportunity for an informal hearing.

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Chapter 4

TENANT SELECTION AND ASSIGNMENT PLAN

INTRODUCTION

Applicants will be listed in sequence based upon:

- date and time the application is received,
- the size and type of unit they require,
- and factors of preference or priority (if any)

In filling an actual or expected vacancy, MHA will offer the dwelling unit to an applicant in the appropriate sequence with the goal of accomplishing deconcentration of poverty and income-mixing objectives. MHA will offer the unit until it is accepted. This Chapter describes MHA's policies with regard to the number of unit offers that will be made to applicants selected from the waiting list.

MHA's Objectives

MHA policies will be followed consistently and will affirmatively further HUD's fair housing goals.

It is MHA's objective to ensure that families are placed in the proper order on the waiting list so that the offer of a unit is not delayed to any family unnecessarily or made to any family prematurely. This chapter explains the policies for the management of the waiting list.

When appropriate units are available, families will be selected from the waiting list in their determined sequence.

By maintaining an accurate waiting list, MHA will be able to perform the activities, which ensure that an adequate pool of qualified applicants will be available to fill unit vacancies in a timely manner. Based on MHA's turnover and the availability of appropriate sized units, groups of families will be selected from the waiting list to form a final eligibility "pool." Selection from the pool will be based on completion of verification.

A. MANAGEMENT OF THE WAITING LIST

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

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

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

Opening and Closing the Waiting Lists

MHA, at its discretion, may restrict application intake, suspend application intake, and close waiting lists in whole or in part.

The decision to close the waiting list will be based on the number of applications available for a particular size and type of unit, the number of applicants who qualify for a local preference, and the ability of MHA to house an applicant in an appropriate unit within 24 months.

When MHA opens the waiting list, MHA will advertise through public notice in the following newspapers, minority publications and media entities. location(s), and program(s) for which applications are being accepted in the local paper of record, "minority" newspapers, and other media including:

Muskogee Daily Phoenix

The notice will contain:

- The dates, times, and the locations where families may apply.
- Any system of site-based waiting list offered by MHA.
- The programs for which applications will be taken.
- A brief description of the program.
- A statement that Section 8 participants must submit a separate application if they want to apply for Public Housing.
- Limitations, if any, on who may apply.

The notices will be made in an accessible format, if requested. They will provide potential applicants with information that includes MHA's address and telephone number, how to submit an application, information on eligibility requirements.

Upon request from a person with a disability, additional time will be given as an accommodation for submission of an application after the closing deadline. This accommodation is to allow persons with disabilities the opportunity to submit an application in cases when a social service organization provides inaccurate or untimely information about the closing date.

When Application Taking is Suspended

MHA may suspend the acceptance of applications if there are enough applicants to fill anticipated openings for the next time period between 12 and 24 months.

The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

During the period when the waiting list is closed, MHA will not maintain a list of individuals who wish to be notified when the waiting list is open.

Suspension of application taking is announced in the same way as opening the waiting list.

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover over the next time limit between 12 and 24 months. MHA will give at least 5 days' notice prior to closing the list. When the period for accepting applications is over, MHA will add the new applicants to the list by:

* Unit size and date and time of application receipt.

MHA will update the waiting list at least every two years by removing the names of those families who are no longer interested, no longer qualify for housing, or cannot be reached by mail or telephone. At the time of initial intake, MHA will advise families of their responsibility to update mailing address or telephone number changes via the applicant portal.

Reopening the List

If the waiting list is closed and MHA decides to open the waiting list, MHA will publicly announce the opening.

Any reopening of the list will be done in accordance with the HUD requirements.

Limits on Who May Apply

When the waiting list is open,

Depending upon the composition of the waiting list with regard to family types and preferences and to better serve the needs of the community, at times MHA may only accept applications from:

Any family asking to be placed on the waiting list for Public Housing rental assistance will be given an opportunity to complete a pre-application/an application,

When the application is submitted to MHA:

It establishes the family's date and time of application for placement order on the waiting list.

Multiple Families in Same Household

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

B. WAITING LIST PREFERENCES

The Muskogee Housing Authority will select families based on the following preferences within each bedroom size:

1. Families who have at least one (1) household member employed at least 30 hours per week will receive one (1) preference point. Families whose adult members are unable to work due to age (62 or over) or disability will also receive this preference point.
2. Families whose total household income is at least 31%, but not more than 80%, of the Area Median Income shall receive one (1) preference point.
3. Families with existing Public Housing assistance as of the federal disaster declaration date and are evacuees due to a federally declared disaster will receive one preference point if they make application within 90 days following the disaster declaration date.
4. Families with or without existing Public Housing Assistance as of the federal disaster declaration date and are evacuees will receive one preference point if they can provide a FEMA registration number on their housing application and make housing application within 90 days following the disaster declaration date.
5. The date and time of application will be noted and utilized to determine the sequence within the above-prescribed preferences.
6. Notwithstanding the above, families who are elderly, disabled, or displaced will be offered housing before other single persons.

Buildings Designed for the Elderly and Disabled: Preference will be given to elderly and disabled families. If there are no elderly or disabled families on the list, preference will then be given to near-elderly families. If there are no near-elderly families on the waiting list, units will be offered to families who qualify for the appropriate bedroom size using these priorities. All such families will be selected from the waiting list using the preferences as outlined above.

Accessible Units: Accessible units will be first offered to families who may benefit from the accessible features. Applicants for these units will be selected utilizing the same preference system as outlined above. If there are no applicants who would benefit from the accessible features, the units will be offered to other applicants in the order that their names come to the top of the waiting list. Such applicants, however, must sign a release form stating they will accept a transfer (at their own

expense) if, at a future time, a family requiring an accessible feature applies. Any family required to transfer will be given a 30-day notice.

C. ORDER OF SELECTION FOR MIXED POPULATION DEVELOPMENTS

A mixed population project is a public housing project, or portion of a project that was reserved for elderly families and disabled families at its inception (and has retained that character).

In accordance with the 1992 Housing Act, elderly families whose head spouse or sole member is at least 62 years of age, and disabled families whose head, co-head or spouse or sole member is a person with disabilities, will receive equal preference to such units.

No limit will be established on the number of elderly or disabled families that may occupy a mixed population property. All other MHA preferences will be applied.

MHA has established the following local admissions preferences for Mixed Population developments. Per HUD regulations, equal preference must be given to Elderly Families and Disabled Families.

D. INCOME TARGETING

MHA will monitor its admissions to ensure that at least 40 percent of families admitted to public housing in each fiscal year shall have incomes that do not exceed 30% of area median income of MHA's jurisdiction.

Hereafter families whose incomes do not exceed the higher of 30% of area median income or the federal poverty level will be referred to as "extremely low-income families."

Low Income Family Admissions

MHA will admit only families whose incomes do not exceed 80% of the HUD approved area median income.

E. UNITS DESIGNATED FOR THE ELDERLY

In accordance with the 1992 Housing Act, elderly families with a head, spouse or sole member at least 62 years of age will receive a preference for admission to such units or buildings covered by a HUD-approved Allocation Plan, except for the units, which are accessible, which may be offered to persons with disabilities.

MHA will take the following action when processing families for developments designated for the elderly:

- Every applicant 50 years or older has a preference for an elderly designated unit.

- Families with members who require a unit with accessible features will receive preference for such units over families who do not require such features.

Procedure to Be Used When There Are Insufficient Applicants on the List

Where MHA anticipates that there are insufficient elderly or near-elderly families on the waiting list for these units, MHA will notify local senior service centers and local media sources aimed at the elderly to recruit elderly families for the waiting list for these projects.

F. UNITS DESIGNATED FOR THE DISABLED

In accordance with the 1992 Housing Act, disabled families with a head, spouse or sole member who qualifies as a person with disabilities will receive a preference for admission to units that are covered by a HUD-approved Allocation Plan.

G. DECONCENTRATION OF POVERTY AND INCOME-MIXING

MHA's admission policy is designed to provide for deconcentration of poverty and income mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects.

Nothing in the deconcentration policy relieves MHA of the obligation to meet the income-targeting requirement.

Gross annual income is used for income limits at admission and for income-mixing purposes.

Deconcentration and Income-Mixing Goals

MHA's deconcentration and income-mixing goal, in conjunction with the requirement to target at least 40 percent of new admissions to public housing in each fiscal year to "extremely low-income families", will be to admit families above MHA's Established Income Range (EIR) to developments below the EIR, and families below MHA's EIR to developments above the EIR.

Deconcentration applies to transfer families as well as applicant families.

Project Designation Methodology

Annually, MHA will determine the average income of all families residing in general occupancy developments. MHA will then determine whether each general occupancy development falls above, within or below the Established Income Range (EIR).

The EIR is 85 percent to 115 percent (inclusive of 85 percent and 115 percent) of the MHA-wide average income for general occupancy developments.

MHA will then determine whether or not developments outside the EIR are consistent with local goals and strategies in the Housing Authority Plan. Any deconcentration policy as needed is described in the Agency Plan.

Deconcentration Policy

If, at annual review, there are found to be development(s) with average income above or below the EIR, and where the income profile for a general occupancy development above or below the EIR is not explained or justified in the Agency Plan, MHA shall list these covered developments in its Annual Plan.

The Housing Authority shall adhere to the following policies for deconcentration of poverty and income mixing in applicable developments.

MHA shall establish a preference for admission of working families in covered developments below the EIR.

MHA shall target investment and capital improvements toward covered developments below the EIR to encourage applicant families whose income is above the EIR to accept units in those developments. These incentives are described in the Agency Plan.

Deconcentration Compliance

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

H. PROMOTION OF INTEGRATION

Beyond the basic requirement of nondiscrimination, MHA shall affirmatively further fair housing to reduce racial and national origin concentrations.

MHA shall not require any specific income or racial quotas for any development or developments.

MHA shall not assign persons to a particular section of a community or to a development or building based on race, color, religion, sex, disability, familial status or national origin for purposes of segregating populations.

I. REMOVAL FROM WAITING LIST AND PURGING

The waiting list will be purged as needed by a mailing to all applicants to ensure that the waiting list is current and accurate. The mailing will ask for current information and confirmation of continued interest.

If an applicant fails to respond within 30 days, s/he will be removed from the waiting list. If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file.

If an applicant is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless a person with a disability requests a reasonable accommodation for being unable to reply within the prescribed period.

Notices will be made available in accessible format upon the request of a person with a disability. An extension to reply to the purge notification will be considered as an accommodation if requested by a person with a disability.

J. OFFER OF ACCESSIBLE UNITS

MHA has units designed for persons with mobility, sight and hearing impairments, referred to as accessible units.

No non-mobility impaired families will be offered these units until all eligible mobility-impaired applicants have been considered.

Before offering a vacant accessible unit to a non-disabled applicant, MHA will offer such units:

1. First, to a current occupant of another unit of the same development, or other public housing developments under MHA's control, who has a disability that requires the special features of the vacant unit.
2. Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

When offering an accessible/adaptable unit to a non-disabled applicant, MHA will require the applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. This requirement will be a provision of the lease agreement.

See "Leasing" chapter.

K. PLAN FOR UNIT OFFERS

MHA's plan for selection of applicants and assignment of dwelling units is to assure equal opportunity and non-discrimination on grounds of race, color, sex, religion, or national origin is:

Under this plan the first qualified applicant in sequence on the waiting list will be made one offer of a unit of the appropriate size at a site in which the applicant seeks to reside.

If more than one unit of the appropriate type and size is available, the first unit to be offered will be the first unit that is ready for occupancy and/or the one that has been ready the longest.

MHA will maintain a record of units offered, including location, date and circumstances of each offer, each acceptance or rejection, including the reason for the rejection.

L. CHANGES PRIOR TO UNIT OFFER

Changes that occur during the period between removal from the waiting list and an offer of a suitable unit may affect the family's eligibility or Total Tenant Payment. The family will be notified in writing of changes in their eligibility or level of benefits and offered their right to an informal hearing, when applicable.

M. APPLICANT STATUS AFTER UNIT OFFER

When an applicant rejects the unit offer (except for good cause), MHA will remove the applicant's name from the waiting list. Removal from the waiting list means the applicant must reapply.

N. TIME-LIMIT FOR ACCEPTANCE OF UNIT

Applicants must accept a unit offer within five (5) business days of the date the offer is made. Offers made over the telephone will be confirmed by letter. If unable to contact an applicant by telephone, MHA will send a letter.

Applicants Unable to Take Occupancy

If an applicant is willing to accept the unit offered, but is unable to take occupancy at the time of the offer for "*good cause*," the applicant will not be removed from the waiting list, keeping their same place on all waiting lists.

Examples of "*good cause*" reasons for the refusal to take occupancy of a housing unit include, but are not limited to:

- An elderly or disabled family makes the decision not to occupy or accept occupancy in designated housing.
- Inaccessibility to source of employment or children's day care, such that an adult household member must quit a job, drop out of an educational institution, or a job training program;
- Presence of lead paint in the unit offered when the applicant has children under the age specified by current law;
- The family demonstrates to MHA's satisfaction that accepting the offer will result in a situation where a family member's life, health or safety will be placed in jeopardy. The family must offer specific and compelling documentation such as restraining orders, other court orders, or risk assessments related to witness protection from a law enforcement agency. The reasons offered must be specific to the family. Refusals due to the location of the unit alone are not considered to be good cause.

- A qualified, knowledgeable, health professional verifies the temporary hospitalization or recovery from illness of the principal household member, other household members, or a live-in aide necessary to care for the principal household member.
- The unit is inappropriate for the applicant's disabilities.
- An applicant demonstrates that acceptance of the offer would cause undue hardship not related to considerations of the applicant's race, color, national origin, etc.
- Inaccessibility to medical care and medical resources.

Applicants With a Change in Family Size or Status

Changes in family composition, status, or income between the time of the interview and the offer of a unit will be processed. MHA shall not lease a unit to a family whose occupancy will overcrowd or underutilize the unit.

The family will take the appropriate place on the waiting list/in the selection pool according to the date they first applied/date interviewed.

O. REFUSAL OF OFFER

If the unit offered is inappropriate for the applicant's disabilities, the family will retain their position on the waiting list.

If the unit offered is refused for other reasons, MHA will follow the applicable policy as listed in the "Plan for Unit Offers" section and the "Applicant Status After Unit Offer" section.

Chapter 5

OCCUPANCY GUIDELINES

INTRODUCTION

The Occupancy Guidelines are established by the Housing Authority of the City of Muskogee to ensure that units are occupied by families of the appropriate size. This policy maintains the maximum usefulness of the units, while preserving them from excessive wear and tear or underutilization. This Chapter explains the Occupancy Guidelines used to determine minimum and maximum unit sizes for various sized families when they are selected from the waiting list, or when a family's size changes, or when a family requests an exception to the occupancy guidelines.

A. DETERMINING UNIT SIZE

MHA does not determine who shares a bedroom/sleeping room. MHA's Occupancy Guideline standards for determining unit size shall be applied in a manner consistent with Fair Housing guidelines.

For occupancy standards, an adult is a person 18 years or older or an emancipated minor.

All guidelines in this section relate to the number of bedrooms in the unit. Dwelling units will be so assigned that:

Generally, MHA will assign one bedroom to two people within the following guidelines:

- Adults of different generations, adults of the opposite sex (other than spouses), and unrelated adults will not be required to share a bedroom.
- Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal relationship and children under 5 years).
- Foster children will be included in determining unit size only if they will be in the unit for more than 6 months.
- Live-in attendants will generally be provided a separate bedroom
- Space may be provided for a child who is away at school but who lives with the family during school recesses.
- Space will not be provided for a family member who will be absent most of the time, such as a member who is away in the military.
- Single person families may be allocated no more than one bedroom.

The living room will not be used as a bedroom except for purposes of reasonable accommodation or at the request of the family.

GUIDELINES FOR DETERMINING BEDROOM SIZE

Bedroom Size	Persons in Household: (Minimum #)	Persons in Household: (Maximum #)
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	3	6
4 Bedrooms	4	8

B. EXCEPTIONS TO OCCUPANCY STANDARDS

MHA will grant exceptions from the guidelines in cases where it is the family's request or MHA determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances, and there is a vacant unit available. If an applicant requests to be listed on a smaller or larger bedroom size waiting list, the following guidelines will apply:

Applicants may request to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines, (as long as the unit is not overcrowded according to local codes). The family must agree not to request a transfer until their family composition changes and they have occupied the unit for 2 years.

MHA may offer a family a unit that is larger than required by MHA's occupancy standards, if the waiting list is short of families large enough to fill the vacancy and/or MHA determines that the common area for the project is insufficient for accommodating any additional large families.

In all cases, where the family requests an exception to the general occupancy standards, MHA will evaluate the relationship and ages of all family members and the overall size of the unit.

The family may request to be placed on a larger bedroom size waiting list than indicated by MHA's occupancy guidelines. The request must explain the need or justification for a larger bedroom size, and must be verified by MHA before the family is placed on the larger bedroom size list. MHA will consider these requests:

Person with Disability

MHA will grant an exception upon request as a reasonable accommodation for persons with disabilities, if the need is appropriately verified and meets requirements in the Service and Accommodations Policy section of Chapter 1.

Other Circumstances

Circumstances may dictate a larger size than the occupancy standards permit when:

Persons cannot share a bedroom because of a need for medical equipment due to its size and/or function. Requests for a larger bedroom due to medical equipment must be verified by a doctor.

Requests based on health related reasons must be verified by a MHA employee and qualified professional. MHA will not assign a larger bedroom size due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

An exception will be granted if the family has submitted a "Self-Certification of Physical Custody of Minor Child/Children" or an "Appointment of Temporary Guardian" to MHA. If either of these forms have been submitted, MHA will also require that the family has initiated legal proceedings for guardianship or legal custody.

All members of the family residing in the unit must be approved by MHA. The family must obtain approval of any additional family member before the person occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform MHA within 10 days.

To avoid vacancies, MHA may provide a family with a larger unit than the occupancy standards permit. The family must agree to move to a suitable, smaller unit (at the tenant's expense) when another family qualifies for the larger unit and there is a suitable smaller unit available.

C. ACCESSIBLE UNITS

MHA has units designed for persons with mobility, sight and hearing impairments. These units were designed and constructed specifically to meet the needs of persons requiring the use of wheelchairs and persons requiring other modifications.

Preference for occupancy of these units will be given to families with disabled family members who require the modifications or facilities provided in the units.

No non-mobility-impaired families will be offered these units until all eligible mobility-impaired applicants have been considered.

Accessible units will be offered and accepted by non-mobility impaired applicants only with the understanding that such applicants must accept a transfer to a non-accessible unit at a later date (at the applicant's expense) if a person with a mobility impairment requiring the unit applies for housing and is determined eligible.

D. FAMILY MOVES

When a change in the circumstances of a tenant family requires another unit size, the family's move depends upon the availability of a suitable size and type of unit. If the unit is not available at the time it is requested, the family will be placed on the Transfer List.

The unit considerations in this section should be used as a guide to determine whether and when the bedroom size should be changed. If an unusual situation occurs, which is not currently covered in this policy, the case should be taken to the manager who will make determination after review of the situation, the individual circumstances, and the verification provided.

Chapter 6

DETERMINATION OF TENANT RENT

INTRODUCTION

The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the regulations.

This Chapter defines the allowable deductions from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subpart F and further instructions set forth in HUD Notices, Memoranda and Addenda. However, the Quality Housing and Work Responsibility Act now gives PHAs broader flexibility. The PHA's policies in this Chapter address those areas that allow the PHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

A. MINIMUM RENT

The minimum rent for MHA is \$50.00. The minimum rent refers to a minimum total tenant payment and not a minimum tenant rent.

The Total Tenant Payment is the greater of:

- 30% of the adjusted monthly income
- 10% of the monthly income
- The Minimum rent as established by MHA

The Total Tenant Payment does not include charges for excess utility consumption or other charges.

MHA recognizes that in some instances even the minimum rent may create a financial hardship for families. MHA will review all relevant circumstances brought to its attention regarding financial hardship as it applies to minimum rent. The following section states that MHA's procedures and policies are in regard to minimum rent financial hardship as set forth by the QHWRA.

MHA Procedures for Notification to Families of Hardship Exemptions

MHA will notify all participant families subject to a minimum rent of their right to request a minimum rent hardship exemption under the law.

MHA will notify all families at the annual recertification appointment of their right to request a minimum rent hardship exemption.

MHA will notify all families at time of lease-up of their right to request a minimum rent hardship exemption.

The interviewer will document in the family's file that the family has been notified of their right to request a minimum rent hardship exemption.

MHA notification will advise the family that hardship exemption determinations are subject to MHA grievance procedures.

MHA will review all tenant requests for exemption from the minimum rent due to financial hardships.

All requests for minimum rent exemption are required to be in writing.

MHA notification will be provided to residents in writing and verbally during the re-examination process.

Requests for minimum rent exemption must state the family circumstances that qualify the family for an exemption.

Exemptions to Minimum Rent

MHA will immediately grant the minimum rent exemption to all families who request it, pending verification.

The Minimum Rent will not be suspended until MHA determines whether the hardship is:

- Covered by statute
- Temporary or long term

If MHA determines that the minimum rent is not covered by statute, it will impose a minimum rent including payment for minimum rent from the time of suspension.

MHA will use its standard verification procedures to verify circumstances that have resulted in financial hardship, such as loss of employment, death in the family, etc.

HUD Criteria for Hardship Exemption

In order for a family to qualify for a hardship exemption the family's circumstances must fall into one of the following criteria:

- The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance;
- The family would be evicted as a result of the imposition of the minimum rent requirement;

The income of the family has decreased because of changed circumstances, including:

- Loss of employment
- Death in the family
- Other circumstances as determined by MHA or HUD

MHA Policy Regarding Hardship Exemption

For purposes of providing the hardship exemption to minimum rent in a fair and consistent manner, MHA has established policy regarding the above-mentioned HUD criteria.

"Loss of employment" - Defined as being laid off or terminated, through fault or no fault, of the employee. Loss of employment does not, for the purposes of exemption to minimum rent, include voluntarily quitting employment.

"Death in the family"- Family, for the purposes of exemption to minimum rent, includes head of house or spouse, any adult on the public housing lease or any family member on the public housing Lease.

Temporary Hardship

If MHA determines that the hardship is temporary (less than 90 days), a minimum rent will be imposed, including back payment from time of suspension, but the family will not be evicted for nonpayment of rent during the 90-day period commencing on the date of the family's request for exemption.

Repayment Agreements for Temporary Hardship

MHA will offer a repayment agreement to the family for any such rent not paid during the temporary hardship period.

If the family owes MHA money for rent arrears incurred during the minimum rent period, MHA will calculate the total amount owed and divide it by 12 to arrive at a reasonable payment increment that will be added to the family's regular monthly rent payment. The family will be required to pay the increased amount until the arrears are paid in full.

MHA's policies regarding repayment agreements are further discussed in the chapter entitled "Family Debts to the PHA."

B. INCOME AND ALLOWANCES

Income: The types of money that are to be used as income for purposes of calculating the TTP are defined by HUD in federal regulations. In accordance with this definition, income from all sources of each member of the household is documented. (See Income Inclusions and Income Exclusions in the Glossary of Terms of this policy.)

Annual Income: Annual income includes all amounts, monetary and nonmonetary, that go to, or on behalf of the family head or spouse (even if temporarily absent) or to any other family member or are anticipated to be received from a source outside the family in the 12 months following admission or the annual reexamination's effective date, including amounts derived from assets to which any member of the family has access that are not specifically excluded by Federal regulations.

Adjusted Income is defined as the annual income minus any HUD allowable deductions.

Allowable Deductions

HUD has five allowable deductions from Annual Income:

1. Dependent allowance: \$480 each for family members (other than the head or spouse), who are minors, and for family members who are 18 and older who are full-time students or who are disabled.
2. "Elderly" allowance: \$400 per household for families whose head or spouse is 62 or over or disabled.
3. Allowable unreimbursed medical expenses for all family members are deducted for elderly and disabled families.
4. Childcare expenses for children under 13 are deducted when childcare is necessary to allow an adult family member to work, actively seek work, or attend school (including vocational training).
5. Expenses for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

C. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS

The annual income for qualified families may not be increased as a result of increases in earned income beginning on the date on which the increase in earned income begins and continuing for a 12- calendar month period. After the first 12-calendar month period, annual income will include a phase-in of half (50%) of the earned income excluded from annual income.

A family qualified for the earned income exclusion is a family that occupies a dwelling unit in a public housing project, is paying income-based rent; and

1. Whose annual income increases as a result of employment of a family member who was previously unemployed for one or more years prior to employment;
2. Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or
3. Whose annual income increases, as a result of new employment or increased earnings of a family member during or within six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least \$500. The qualifying TANF assistance may consist of any amount of monthly income maintenance, and/or at least \$500 in such TANF benefits and services as one-time payments, wage subsidies, and transportation assistance.

The HUD definition of “previously unemployed” includes a person who has earned in the previous 12 months no more than the equivalent earnings for working 10 hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The HUD definition of economic self-sufficiency program is: any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

Amounts to be excluded are any earned income increases of a family member during participation in an economic self-sufficiency or job training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount that is subject to the disallowance is the amount of incremental increase in income of a family member. The incremental increase in income is calculated by comparing the amount of the family member’s income before the beginning of qualifying employment or increase in earned income to the amount of such income after the beginning of employment or increase in earned income.

Initial Twelve-Month Exclusion

During the initial 12- calendar month period beginning on the date a member of a qualified family is first employed or the family member first experiences an increase in employment income, MHA will exclude from annual income any increase in income

of the family member as a result of employment over the prior income of that family member.

Second Twelve-Month Phase-in Exclusion

During the second 12- calendar month period after the expiration of the initial 12-month period referred to above, MHA must exclude from annual income of a qualified family 50 percent of any increase in income of a family member as a result of employment over income of that family member prior to the beginning of such employment.

Maximum Two-Year Disallowance

The earned income disallowance is limited to a lifetime 24-month period for each qualifying family member. For each qualifying family member, the disallowance only applies for a maximum of 12 months of full exclusion of incremental increase, and a maximum of 12 months of phase- in exclusion starting from the date of the initial exclusion.

If the period of increased income does not last for 12 consecutive months, the 24 calendar month continues.

No earned income disallowance will be applied after the 24-month period following the initial date the exclusion was applied, regardless of how many months were “used”.

Applicability to Child Care and Disability Assistance Expense Deductions

The amount deducted for childcare and disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for families entitled to the earned income disallowance, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for childcare and disability assistance expense deductions.

Tracking the Earned Income Exclusion

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family’s file to show the reason for the reduced increase in rent.

Such documentation will include:

- Date the increase in earned income was reported by the family
- Name of the family member whose earned income increased
- Amount of the increase in earned income (amount to be excluded)
- Date the increase in income is first excluded from annual income
- Date the family member’s initial 12-month exclusion opportunity ends

- Date the 12-month phase-in period began
- Ending date of the maximum 24-month (two year) disallowance period (24 months from the date of the initial earned income disallowance)

MHA will maintain a tracking system to ensure correct application of the earned income disallowance.

Inapplicability to Admission

The earned income disallowance is only applied to determine the annual income of families residing in public housing, and therefore does not apply for purposes of admission (including the determination of income eligibility or any income targeting that may be applicable).

D. TRAINING PROGRAMS FUNDED BY HUD

All training income from a HUD sponsored or funded training program, whether incremental or not, is excluded from the resident's annual income while the resident is in training. Income from a Resident Services training program, which is funded by HUD, is excluded.

E. WAGES FROM EMPLOYMENT WITH THE PHA OR RESIDENT ORGANIZATION

Upon employment with MHA or officially recognized Resident Organization, the full amount of employment income received by the person is counted. There is no exclusion of income for wages funded under the 1937 Housing Act Programs, which includes public housing and Section 8.

F. AVERAGING INCOME

When Annual Income cannot be anticipated for a full twelve months, MHA will:

Annualize current income and conduct an interim reexamination, if income changes.

If there are bonuses or overtime, which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.

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

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

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

G. MINIMUM INCOME

There is no minimum income requirement. Families who report zero income are required to complete a written certification every 30 days.

Families that report zero income will be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc.

Where credit reports show credit accounts open and payments current, MHA will take action to investigate the possibility of fraud or program abuse.

H. REGULAR CONTRIBUTIONS AND GIFTS

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received every month or more frequently will be considered a "regular" contribution or gift. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts. (See Chapter on "Verification Procedures," for further definition.)

If the family's expenses exceed their known income, MHA may make inquiry of the family about contributions and gifts.

I. ALIMONY AND CHILD SUPPORT

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, MHA must use the amount awarded by the court unless the family can verify that they are not receiving the full amount.

MHA will accept as verification that the family is receiving an amount less than the award if:

- MHA receives verification from the agency responsible for enforcement or collection.

- The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.

It is the family's responsibility to supply a certified copy of the divorce decree.

J. LUMP-SUM RECEIPTS

Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments (unemployment or welfare assistance) are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments, which have accumulated due to a dispute, will be treated the same as periodic payments, which are deferred due to delays in processing.

Prospective Calculation Methodology

If the payment is reported on a timely basis, the calculation will be done prospectively and will result in an interim adjustment calculated as follows:

- The entire lump-sum payment will be added to the annual income at the time of the interim.
- MHA will determine the percent of the year remaining until the next annual recertification as of the date of the interim (three months would be 25% of the year).
- At the next annual recertification, MHA will apply the percentage balance (75% in this example) to the lump sum and add it to the rest of the annual income.
- The lump sum will be added in the same way for any interims that occur prior to the next annual recertification.

Retroactive Calculation Methodology

MHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.

MHA will determine the amount of income for each certification period, including the lump sum, and recalculate the tenant rent for each certification period to determine the amount due MHA.

The family has the choice of paying this "retroactive" amount to MHA in a lump sum.

At MHA's option, it may enter into a Repayment Agreement with the family.

The amount owed by the family is a collectible debt even if the family becomes unassisted.

K. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

MHA must count assets disposed of for less than fair market value during the two years

preceding certification or reexamination. MHA will count the difference between the market value and the actual payment received in calculating total assets. The difference will be included in calculating total assets for two years.

Assets disposed of as a result of foreclosure or bankruptcy are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation are not considered to be assets disposed of for less than fair market value.

L. CHILD CARE EXPENSES

Unreimbursed childcare expenses for children under 13 may be deducted from annual income if they enable an adult to work, actively seek work, attend school full time, or attend full-time vocational training.

If a tenant is eligible for the earned income disallowance, the amount of deduction for childcare expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, the disregarded or excluded amounts cannot be used in determining the cap for the childcare expense deduction.

MHA may not disallow a deduction for child care expenses because there is an unemployed adult family member who may be available to provide the care.

Childcare expenses must be reasonable. Reasonable is determined by what the average childcare rates are in MHA's jurisdiction.

Allowability of deductions for childcare expenses is based on the following guidelines:

Childcare to work: The maximum childcare expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.

Childcare for school: The number of hours claimed for childcare may not exceed the number of hours the family member is attending school (including one hour/other amount of travel time to and from school).

Amount of Expense: MHA will survey the local care providers in the community to determine what is reasonable. MHA will use the collected data as a guideline. If the hourly rate materially exceeds the guideline, MHA may calculate the allowance using the guideline.

M. MEDICAL EXPENSES

Medical expense deduction is permitted ONLY for households in which the head, spouse, or sole member is at least age 62, or handicapped or disabled regardless of their age.

- If the household is eligible for a medical expense deduction (i.e., is an "elderly" family), the medical expenses of all family members are counted.

- “Total medical expense” includes medical insurance premiums, and other medical expenses, which are anticipated during the period for which annual income is computed, and that are not covered by insurance or any other source.
- “Medical Expense” also includes medically needed equipment and assistive animals and the upkeep of both. Examples of equipment include: hearing aids, walkers, artificial limbs, and eyeglasses.
- Allowable medical expenses are the portion of total medical expenses that is in excess of three percent (3%) of annual income.
- Three percent of annual income must first be deducted from the disability assistance expenses. Any remainder is then deducted from total medical expenses.
- If a family has both medical expenses and disability assistance expenses, a special calculation is required.

N. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES

Applicability

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

"Mixed" families that were participants on June 19, 1995, and that do not qualify for continued assistance must be offered prorated assistance. (See Chapter titled "Recertification's.") Applicants mixed families are entitled to prorated assistance. Families that become mixed after June 19, 1995, by addition of an ineligible member are entitled to prorated assistance.

Prorated TTP Calculation for Mixed Families

Prorated assistance will be calculated by:

- Step 1. Determine the total tenant payment in accordance with 24 CFR §5.628. (Annual income includes income of all family members, including any family member who has not established eligible immigration status.)
- Step 2. Family maximum rent is equal to the applicable flat rent for the unit size to be occupied by the family.
- Step 3. Subtract the total tenant payment from the family maximum rent. The result is the maximum subsidy for which the family could qualify if all members were eligible (“family maximum subsidy”).
- Step 4. Divide the family maximum subsidy by the number of persons in the family

(all persons) to determine the maximum subsidy per each family member who has citizenship or eligible immigration status (“eligible family member”). The subsidy per eligible family member is the “member maximum subsidy.”

- Step 5. Multiply the member maximum subsidy by the number of family members who have citizenship or eligible immigration status (eligible family members”). The product of this calculation is the “eligible subsidy.”
- Step 6. The mixed family TTP is the maximum rent minus the amount of the eligible subsidy.
- Step 7. Subtract any applicable utility allowance from the mixed family TTP. The result of this calculation is the mixed family tenant rent.

When the mixed family’s TTP is greater than the maximum rent, the TTP must be used as the mixed family TTP.

O. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

MHA will not reduce the public housing rent for families whose welfare assistance is reduced specifically because of:

- fraud; or
- failure to participate in an economic self-sufficiency program; or

However, MHA will reduce the rent if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment; or
- A situation where a family member has not complied with other welfare agency requirements.

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction that is included in the family’s income for rental contribution.

Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction.

The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed.

When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

Verification Before Denying a Request to Reduce Rent

MHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

The welfare agency, at the request of MHA, will inform MHA of:

- amount and term of specified welfare benefit reduction for the family;
- reason for the reduction; and
- subsequent changes in term or amount of reduction.

Cooperation Agreements

MHA has a written cooperation agreement in place with the local welfare agency that assists MHA in obtaining the necessary information regarding welfare sanctions.

P. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

If the cost of utilities (excluding telephone) is not included in the Tenant Rent, a utility allowance will be deducted from the total tenant payment. The Utility Allowance is intended to help defray the cost of utilities not included in the rent. The allowances are based on the monthly cost of reasonable consumption of utilities in an energy conservative household, *not* on a family's actual consumption.

When the Utility Allowance exceeds the family's Total Tenant Payment, MHA will provide a Utility Reimbursement Payment for the family each month. The check will be made out directly to the utility company of MHA's choosing.

Resident-Paid Utilities

The following requirements apply to residents living in developments with resident-paid utilities or applicants being admitted to such developments:

If a resident or applicant is unable to get utilities connected because of a previous balance owed to the utility company, the resident/applicant will not be permitted to move into a unit with resident paid utilities.

Paying the utility bill is the resident's obligation under the lease. Failure to pay utilities is grounds for eviction.

Q. FAMILY CHOICE IN RENTS

Authority for Family to Select

MHA shall provide for each family residing in a public housing unit to elect annually whether the rent paid by such family shall be 1) determined based on family income or 2) the flat rent. MHA may not at any time fail to provide both such rent options or amounts for any public housing unit owned, assisted or operated by MHA.

Annual choice: MHA shall provide for families residing in public housing units to elect annually whether to pay income-based or flat rent.

Allowable Rent Structures

Flat Rents

The Housing Authority of the City of Muskogee hereby amends its flat rent policies to comply with the statutory changes contained within, Public Law 113-76, the Fiscal Year 2014 Appropriation Act.

The Housing Authority of the City of Muskogee will set the flat rental amount for each public housing unit that complies with the requirement that all flat rents be set at no less than 80 percent of the applicable Fair Market Rent (FMR) adjusted, as necessary, to account for reasonable utility costs. The new flat rental amount will apply to all new program admissions effective October 1, 2014. For current program participants that pay the flat rental amount, the new flat rental amount will be offered, as well as the income-based rental amount, at the next annual rental option.

The Housing Authority of the City of Muskogee will place a cap on any increase in a family's rental payment that exceeds 35 percent, and is a result of changes to the flat rental amount as follows:

- Multiply the existing flat rental payment by 1.35 and compare that to the updated flat rental amount;
- The Housing Authority of the City of Muskogee will present two rent options to the family as follows:
 - The lower of the product of the calculation and the updated flat rental amount; and
 - The income-based rent.

Income-Based Rents

The monthly Total Tenant Payment amount for a family shall be an amount, as verified by MHA that does not exceed the greatest of the following amounts:

- 30 percent of the family's monthly-adjusted income;
- 10 percent of the family's monthly income; or

- MHA's Minimum TTP of \$50.00

Switching Rent Determination Methods Because of Hardship Circumstances

In the case of a family that has elected to pay MHA's flat rent, MHA shall immediately provide for the family to pay rent in the amount determined under income-based rent, during the period for which such choice was made, upon a determination that the family is unable to pay the flat rent because of financial hardship, including:

- Situations in which the income of the family has decreased because of changed circumstances, loss of or reduction of employment, death in the family, and reduction in or loss of income or other assistance;
- An increase, because of changed circumstances, in the family's expenses for medical costs, child care, transportation, education, or similar items; and
- Such other situations as may be determined by MHA or HUD.

All hardship situations will be verified.

Once a family switches to income-based rent due to hardship, the family must wait until the next annual reexamination to elect whether to pay income-based rent or flat rent.

Annual Reexamination

Within 120 days in advance of the annual reexamination, the family will be notified to report to the development office for their rent determination review (annual reexamination). During the interview process, the family will be asked to choose income-based rent or flat rent. MHA will explain each rent choice to the family and their rent amount.

If the family indicates they choose flat rent, the family will fill out and return the MHA form to certify family composition. This form will be retained in the tenant file.

If the family indicates they choose income-based rent, a reexamination appointment will be scheduled according to MHA policy.

Chapter 7

VERIFICATION PROCEDURES

INTRODUCTION

HUD regulations require that the factors of eligibility and Total Tenant Payment be verified by MHA. Applicants and program tenants must furnish proof of their statements whenever required by the Housing Authority, and the information they provide must be as accurate as possible. MHA's verification procedures are designed to meet HUD's requirements and to maintain program integrity. This Chapter explains MHA's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and when there are changes in family members. MHA will ensure that proper authorization for release of information is always obtained from the family before making verification inquiries.

A. VERIFICATION HIERARCHY

MHA will verify information through the six methods of verification acceptable to HUD in the following order:

1. **Enterprise Income Verification System (EIV)**
2. **Upfront Income Verification System (non-EIV; examples: DHS, OESC, Work Number, etc.)**
3. **Written 3rd Party (examples: award letter, benefits statement, minimum of 3 most recent consecutive check stubs, bank statements, etc.)**
4. **Written 3rd Party Verification Form (agency produced)**
5. **Oral 3rd Party Verification**
6. **Notarized Declaration**

If third party verification is not received directly from the source, MHA staff will document the file as to why third-party verification was impossible to obtain and another method was used, such as reviewing documents families provide. (See Chapter on Applying for Admission)

Verifications must be dated within 60 calendar days of the exam or move-in effective date or PHA request date.

B. RELEASE OF INFORMATION

All adults, and head of household and spouse regardless of age, are required to sign HUD form 9886, Authorization for Release of Information/Privacy Act Notice.

In addition, the family will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886.

Each member requested to consent to the release of information will be provided with a copy of the appropriate forms for their review and signature.

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of tenancy because it is a family obligation under tenancy to supply any information requested by MHA or HUD.

C. ITEMS TO BE VERIFIED

- All income not specifically excluded by the regulations.
- Zero-income status of household.
- Zero-income applicants and residents will be required to complete a family expense form at each certification or recertification interview.
- Full-time student status including High School students who are 18 or over.
- Current assets including assets disposed of for less than fair market value in preceding two years.
- Child care expense where it allows an adult family member to be employed, seek employment or to further his/her education.
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled.
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus that allow an adult family member to be employed.

Legal Identity

- U.S. citizenship/eligible immigrant status.
- Social Security Numbers for all family members.
- Preference status, based upon MHA preferences. (if any)
- Marital status when needed for head or spouse definition.
- Disability for determination of preferences, allowances or deductions.

D. VERIFICATION OF INCOME

This section defines the methods MHA will use to verify various types of income.

Employment Income

Verification forms request the employer to specify the:

- Dates of employment

- Amount and frequency of pay
- Date of the last pay increase
- Likelihood of change of employment status and effective date of any known salary increase during the next 12 months
- Year to date earnings
- Estimated income from overtime, tips, and bonus pay expected during next 12 months

Acceptable methods of verification include:

1. Employment verification form completed by the employer.
2. Computer report electronically obtained or in hard copy, stating payment dates and amounts
3. Check stubs or earning statements that indicate the employee's gross pay, frequency of pay or year to date earnings.
4. W-2 forms plus income tax return forms.
5. Self-certification signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

Applicants and program tenants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income.

Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

Social Security, Pensions, Supplemental Security Income (SSI), Disability Income

Acceptable methods of verification include:

1. Benefit verification form completed by agency providing the benefits.
2. Computer report electronically obtained or in hard copy.
3. Award or benefit notification letters prepared and signed by the providing agency.
4. Bank statements for direct deposits

Unemployment Compensation

Acceptable methods of verification include:

1. Computer report electronically obtained or in hard copy, stating payment dates and

amounts

2. Verification form completed by the unemployment compensation agency.
3. Payment Stubs

Welfare Payments or General Assistance

Acceptable methods of verification include:

1. MHA verification form completed by payment provider.
2. Computer report electronically obtained or in hard copy.
3. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.

Alimony or Child Support Payments

Acceptable methods of verification include:

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
2. Copy of latest check and/or payment stubs from Court Trustee. MHA must record the date, amount, and number of the check.
3. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.
4. If payments are irregular, the family must provide:
 - A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules.
 - A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.
 - A welfare Notice of Action showing amounts received by the welfare agency for child support.

Net Income from a Business

In order to verify the net income from a business, MHA will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

1. IRS Form 1040, including:

- Schedule C (Small Business)
- Schedule E (Rental Property Income)
- Schedule F (Farm Income)

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

2. Audited or unaudited financial statement(s) of the business.
3. Credit report or loan application.
4. Documents such as manifests, appointment books, cashbooks, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
5. Family's self-certification/notarized statement as to net income realized from the business during previous years.

Child Care Business

If an applicant/tenant is operating a licensed day care business, income will be verified as with any other business.

If the family has filed a tax return, the family will be required to provide it.

If childcare services were terminated, third-party verification will be sent to the parent whose child was cared for.

Recurring Gifts

The family must furnish a notarized statement that contains the following information:

- The person who provides the gifts.
- The value of the gifts.
- The regularity (dates) of the gifts.
- The purpose of the gifts.

Zero-Income Status

Families claiming to have no income will be required to execute verification forms to determine that forms of income such as unemployment benefits, AFDC, SSI, etc. are not

being received by the household.

MHA will request information from agencies verifying that no income is being received by the family.

Full-Time Student Status

Only the first \$480 of the earned income of full-time students 18 years of age or older, other than head or spouse, will be counted towards family income.

Financial aid, scholarships and grants received by full-time students are not counted towards family income.

Verification of full-time student status includes:

- Written verification from the registrar's office or other school official.
- School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

Verification of Income Exclusions

MHA will attempt third-party verification of income exclusions wherever possible.

When third-party verification of income exclusions are not possible or practical, a review of documents or notarized/ self-certification will be obtained.

Exclusions from income that must be verified and reported on the 50058 include the following:

- Income from employment of children or foster children under 18 years old.
- Earnings in excess of \$480 for each full-time student 18 years old or older (excluding head or household and spouse).
- Earned income disallowance.
- Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by the resident for performing a service for MHA, on a part-time basis, that enhances the quality of life in the development.
- Stipends to reimburse residents for expenses for serving as members of MHA's governing board or commission.
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
- Other military pay specifically excluded by law

- Income of a live-in aide.
- Earnings and benefits from employment training programs funded by HUD.
- Reimbursement for out-of-pocket expenses while attending a public assisted training program.
- Incremental earnings and benefits from participation in qualifying state and local employment programs.
- Payments to volunteers under the Domestic Volunteer Services Act.
- Payments received under programs funded in whole or in part under the Workforce Investment Act (WIA) (formerly known as the Job Training Partnership Act (JTPA)).
- Earnings and benefits to any family member from an employment training and supportive services program during the exclusion period. The exclusion is applicable only if the family was admitted to the qualifying program prior to October 1, 1999.
- Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.
- Food stamps.
- Annual Imputed Welfare Income if the family was not an assisted resident at the time of sanction.
- Nonrecurring, short-term benefits under TANF assistance that:
 - Are designed to deal with a specific crisis situation or episode of need;
 - Are not intended to meet recurrent or ongoing needs; and
 - Will not extend beyond four months.
- Work subsidies under TANF assistance (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training).
- Supportive services under TANF assistance such as child care and transportation provided to families who are employed.
- Refundable earned income tax credits.
- Individual Development Accounts under TANF.
- Services provided under TANF assistance such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job

advancement, and other employment-related services that do not provide basic income support.

- Transportation benefits under TANF assistance provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Act, to an individual who is not otherwise receiving assistance.
- Lump-sum pension benefits payable as a death benefit.
- Deferred periodic amounts from SSI benefits that the family member received in a lump sum amount or in prospective monthly amounts.
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of SSI eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
- Deferred periodic amounts from Social Security benefits that the family member received in a lump sum amount or in prospective monthly amounts.
- Childcare arranged or provided under the Child Care and Development Block Grant Act.
- Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
- Payments received under the Alaska Native Claims Settlement Act.
- Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes.
- Income derived from the disposition of funds of the Grand River Band of Ottawa Indians.
- The first \$2000 of per capita shares from judgment funds awarded by Indian Claims.
- Payments received under the Maine Indian Claims Settlement Act of 1980.
- Payments received by Indian Claims Commission to the Confederate Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation.
- The first \$2000 of income received by individual Indians derived from interests or trust or restricted land.
- Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone).
- Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation),

capital gains and settlement for personal or property losses.

- Full amount of student financial assistance and paid directly to the student or to the educational institution.
- Temporary, nonrecurring or sporadic income (including gifts).
- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
- Adoption assistance payments in excess of \$480 per adopted child.
- Refunds or rebates under state or local law for property taxes paid on dwelling unit.
- Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply.
- Payments or allowances under DHHS' low-income home energy assistance program (LIHEAP).
- Federal scholarships funded under Title IV of The Higher Education Act of 1965, including awards under the Federal work study program or under the Bureau of Indian Affairs student assistance program.
- Payments received from programs funded under Title V of the Older Americans Act of 1965.
- Payments received on or after January 1, 1989 from the Agent Orange Settlement Fund or any fund established pursuant to the settlement in the In Re Agent Orange product liability litigation.
- Earned Income Tax Credit refund tax payments.
- Any allowance paid under provisions of 38 U.S.C. 1805 to a child suffering from spinal bifida who is a child of a Vietnam Veteran.
- Any amount of crime victim compensation that the applicant (under the Victims Crime Act) receives through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims Crime Act because of the commission of a crime against the applicant.

E. INCOME FROM ASSETS

Acceptable methods of verification include:

Savings Account Interest Income and Dividends

Will be verified by:

1. Account statements, passbooks, certificates of deposit, or MHA verification forms completed by the financial institution.
2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.
3. IRS Form 1099 from the financial institution, provided that MHA must adjust the information to project earnings expected for the next 12 months.

Interest Income from Mortgages or Similar Arrangements

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

Net Rental Income from Property Owned by Family

1. IRS Form 1040 with Schedule E (Rental Income).
2. Copies of latest rent receipts, leases, or other documentation of rent amounts.
3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, and bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
4. Lessee's written statement verifying rent payments to the family and family's notarized statement as to net income realized.

F. VERIFICATION OF ASSETS

Family Assets

MHA will require the necessary information to determine the current cash value, (the net amount the family would receive if the asset were converted to cash).

- Verification forms, letters, or documents from a financial institution or broker.
- Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- Quotes from a stockbroker or realty agent as to net amount family would receive if they liquidated securities or real estate.

- Real estate tax statements if the approximate current market value can be deduced from assessment.
- Financial statements for business assets.
- Copies of closing documents showing the selling price and the distribution of the sales proceeds.
- Appraisals of personal property held as an investment.
- Family's Notarized Statement describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV), during two years preceding effective date of certification or recertification.

For all Certifications and Recertification's, MHA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that they have disposed of assets for less than fair market value, verification or certification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third-party verification will be obtained wherever possible.

G. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

Child Care Expenses

Written verification from the person who receives the payments is required. If the childcare provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.

Verifications must specify the child care provider's name, address, telephone number, the names of the children cared for, the number and schedule of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

Medical and Disability Assistance Expenses

Families who claim medical expenses or expenses to assist a person(s) with disabilities will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

- Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.
- Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
- Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.
- For attendant care:
 - A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.
 - Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.
- Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.
- Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.
- Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. MHA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year.
- MHA will use mileage at MHA's rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities

In All Cases:

- Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.
- Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

- Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.
- Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:

- Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.
- In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

H. VERIFYING NON-FINANCIAL FACTORS

Verification of Legal Identity

In order to prevent program abuse, MHA will require applicants to furnish verification of legal identity for all family members.

The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

- Certificate of Birth, naturalization papers
- Current, valid Driver's license
- Identification Card issued by the State of Oklahoma
- U.S. military discharge (DD 214)
- U.S. passport

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

- Certificate of Birth
- School records
- Adoption papers
- Health and Human Services ID

Verification of Marital Status

- Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.
- Verification of a separation may be a copy of court-ordered maintenance or other records.
- Verification of marriage status is a marriage certificate.

Split Households: Domestic Violence

Verification of domestic violence when assessing applicant split households includes:

- Shelter for battered persons
- Police reports
- District Attorney's office

Verification of Permanent Absence of Adult Member

If an adult member who was formerly a member of the household is reported permanently absent by the family, MHA will consider any of the following as verification:

- Husband or wife institutes divorce action.
- Order of protection/restraining order obtained by one family member against another.
- Proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available.
- Statements from other agencies such as social services that the adult family member is no longer living at that location.
- If no other proof can be provided, MHA will accept a Notarized Statement from the family or a Family self-certification.
- If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.

Verification of Change in Family Composition

MHA may verify changes in family composition (either reported or unreported) through letters, utility records, inspections, landlords, credit data, school or DMV records, and other sources.

Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under 42

U.S.C. Section 423(d)(1)(A) of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(8)) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehabilitation specialist, or licensed social worker, using the HUD language as the verification format.

Verification of Citizenship/Eligible Immigrant Status

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the MHA hearing is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

Eligible Immigrants who are 62 or over are required to sign a declaration of eligible immigration status and provide proof of age.

Noncitizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. MHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, MHA must request within ten days that the INS conduct a manual search.

Family members who do not claim to be citizens or eligible immigrants must be listed on a statement of non-contending family members signed by the head of household or spouse.

Noncitizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of non-contending members.

Failure to Provide: If an applicant or tenant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Time of Verification. For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. For tenant families, it is done at the first regular recertification after June 19, 1995. PHAs that previously elected to "opt out" must immediately commence verification of families for whom eligibility status has not been undertaken. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in. Once verification has been completed for

any covered program, it need not be repeated except that, in the case of port-in families, if the initial PHA does not supply the documents, MHA must conduct the determination.

Extensions of Time to Provide Documents: MHA will grant an extension of 30 days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration: The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

- Resident Alien Card (I-551)
- Alien Registration Receipt Card (I-151)
- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

MHA will verify the eligibility of a family member at any time such eligibility is in question, without regard to the position of the family on the waiting list.

Verification of Social Security Numbers

Social security numbers must be provided as a condition of eligibility for all family members. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration.

Medical Need for Larger Unit

A written certification that a larger unit is necessary must be obtained from a licensed physician. The physician certification must clearly explain why a larger unit will benefit the tenant.

I. VERIFICATION OF SUITABILITY FOR ADMISSION

Sources to be used to determine suitability include but are not limited to:

- Criminal History Reports
- Prior landlord references
- Physicians, social workers, and other health professionals

- MHA and Other PHAs (to whom the family may owe debt)
- Credit checks

(See chapter on Eligibility.)

Ability to meet financial obligations under the lease

All applicants will be subject to the following procedures to ensure their ability to meet financial obligations under the lease:

- All applicants will be interviewed and asked questions about the basic elements of tenancy.
- MHA will access a Credit Report on all applicants prior to selection.
- MHA will determine if applicants owe any monies from previous tenancy or participation in any HUD housing program.
- MHA will independently verify the rent-paying history of all applicants for the previous 6 months directly with the landlord(s).
- Drug-related or violent criminal activity

MHA will complete a criminal background check of all applicants/adult members in the household.

Housekeeping

MHA will obtain references from prior landlords for the previous 36 months to determine acceptable housekeeping standards.

Chapter 8

TRANSFER POLICY

INTRODUCTION

The transferring of families is a very costly procedure, both to MHA and to the families. However, it is the policy of MHA to permit a resident to transfer within or between housing developments, when it is necessary to comply with occupancy standards, or when it will help accomplish the Affirmative Housing goals of MHA. The transfer policy will be carried out in a manner that does not violate fair housing.

For purposes of this transfer policy the "losing development" refers to the unit from which the family is moving and the "gaining development" refers to the unit to which the family is transferring.

A. GENERAL STATEMENT

It is the policy of the Housing Authority of the City of Muskogee to require or permit resident transfers, within and/or between its public housing developments for the following reasons:

- Emergency,
- Mandatory,
- Reasonable Accommodations,
- Over housed or Under housed,
- Non-threatening Medical (verified by physician), and
- Resident convenience

B. ELIGIBILITY FOR TRANSFER

Except in emergency situations, transfers will not be allowed when the family is:

- Currently delinquent in its rent;
- Not in good standing with MHA due to rental history or a history of disturbances, and
- Found to currently have or has had a poor housing-keeping record

C. PRIORITY OF TRANSFERS

MHA prioritizes transfers in the following manner:

1. Emergency – takes priority over all other transfer requests.

2. Mandatory
3. Reasonable Accommodations
4. Over housed or under housed
5. Non-threatening Medical (verified by physician), and
6. Resident convenience

D. EMERGENCY TRANSFER

Emergency transfers are transfers, which are implemented when:

Unit or building conditions pose an immediate threat to resident life, health, or safety as determined by MHA or a governing body with jurisdiction over such matters, or a federal, state or local court,

Medical problems of a life threatening nature, the resident's unit has been damaged by fire, flood or other causes to such a degree that the unit is not habitable, provided that, although the damage was a result of carelessness or negligence of the resident or a member of the resident's household, the resident has, in writing, accepted the responsibility for such damage and has agreed to make restitution to MHA for the expense of repairing such damage up to a ceiling cost of \$1000,

To abate dangerous and/or substandard living conditions,

To abate emergency life-threatening living conditions caused by third-party criminal activity.

The following procedures will govern emergency transfers:

1. MHA is not required to give minimum notice of an emergency transfer but will make every effort to provide as much notice as permitted under the circumstances.
2. MHA cannot guarantee a desired location for emergency transfers but an attempt will be made to meet the resident's location preference when possible.
3. Refusal to comply with an emergency transfer may be grounds for lease termination.
4. Upon request by the resident, emergency transfers may be used to alleviate verified medical problems of a life threatening nature or when household members need protection from attack by a criminal element in a particular property or neighborhood based on a threat assessment by a law enforcement agency (example: witness protection program, domestic violence).

E. MANDATORY TRANSFER

Mandatory transfers are transfers required by MHA for purposes such as closing a building; implementing redevelopment or building rehabilitation activities; achieving vacancy consolidation; and, adjusting for over-housed living conditions.

If there is a reasonable fear of direct violence against the resident, MHA may permit a transfer. Such transfer requests may include a fear of retaliation for witnessing an incident, or providing testimony or evidence in an eviction or criminal proceeding, or fear of being the victim of a hate crime.

1. To the extent possible and subject to any rights of return, MHA will make every effort to allow residents in good standing to select the development to which to transfer when implementing mandatory transfers for redevelopment or rehabilitation of units.
2. The conditions for good standing are: no repayment agreement or unpaid balance at any time in the past year; good credit history with utility companies (when applicable); no criminal activity or history of disturbances that resulted in Lease violations or violations as defined in MHA's *One Strike Policy* as indicated by notices of lease violation in the resident's file; and a good housekeeping record, as indicated by housekeeping inspection reports in the resident's file.
3. MHA will provide written notice, a minimum of 30 days, in advance of the transfer date for mandatory transfers.
4. Refusal of a mandatory transfer can be grounds for lease termination.

F. REASONABLE ACCOMMODATIONS

These transfers are made when a resident needs to move to a different unit as an accommodation to a resident's disability. This kind of transfer may be requested for a variety of reasons, including but not limited to: the resident needs to be moved to a ground floor unit because his disability prevents him from climbing stairs; the resident needs a unit with certain physical features and they cannot be provided in his current unit without undue financial and administrative burden to MHA.

G. OVERHOUSED OR UNDERHOUSED

The following is classified as an over or under housed transfer, but is not limited to such reason:

To accommodate families who are determined to be over or under housed by virtue of their family size.

H. NON-THREATENING MEDICAL (verified by physician)

When the transfer request is due to medical reasons, however, they are not determined life threatening.

I. RESIDENT CONVENIENCE

Resident requested transfers are transfers for the convenience of the residents, Resident requested transfers will be initiated for residents who desire to live in another MHA development or another type of development for which they qualify, or a resident wishes to move to address situations such as neighbor disputes which are not criminal but interfere with the peaceful enjoyment of the unit or common areas. Resident convenience transfers may only be processed based on a ratio of one transfer for every three families housed from the waiting list.

J. MOVING COSTS

The resident will pay all moving costs related to the transfer, except when the transfer is due to uninhabitability and reasonable accommodations, through no fault of the resident, or when the transfer is due to the need of MHA.

K. SECURITY DEPOSITS

The security deposit will be transferred to the gaining development. Residents transferring to units larger than the previous unit, with the exception of emergency transfers and transfers required by MHA, will be responsible for the difference in security deposits. Residents transferring to units smaller than the previous unit will be issued a credit for the difference in deposit amounts – less any amounts for damages to the original unit.

L. PROCESSING TRANSFERS

Transfers will be processed as follows:

- The resident's records will show a continuous residence in public housing in one development or the other, but not in both projects at the same time.
- Both losing and gaining developments involved must have a definite agreement as to when the losing development will move the resident out and the gaining development will move the resident in.
- All residents must pay all outstanding debts before being transferred in the computer system, including all damages to unit due to neglect or abuse.

A transfer between developments will not be considered a move-out.

Losing Developments

Transfers to other developments will be processed in the same manner as move-outs. The name of the transferred resident and the name of the development s/he transferred to, with other required information will be reported as a transfer move-out.

Gaining Developments

Transfers from other developments will be processed in the same manner as move-ins, including a new lease. The name of the transferred resident and the name of the development s/he transferred from, with other required information, will be reported as a transfer move-in.

M. TRANSFER REQUEST PROCEDURE

Residents applying for a transfer will have to complete a transfer request form stating the reason a transfer is being requested. The Site will evaluate the request to determine if a transfer is justified.

Residents applying for a transfer will be interviewed by the Site Manager to determine the reason for the request and to determine whether a transfer is justified.

If the interview reveals that there is a problem at the family's present site, the manager will address the problem and until solved to the manager's satisfaction, the request for transfer will be denied.

The housing manager's and general manager's endorsement will be completed and the original of the written transfer request / Request for Transfer form will be transmitted to the gaining development for consideration / maintained at the housing office until the family is offered and accepts a unit and a copy will be sent to the family for their records.

The approved request for transfer form will be kept in a file arranged in chronological order and on the computer by bedroom size.

If the request is approved, the family will be sent a copy of the approved transfer form.

If the request is denied, the family will be sent a copy of the transfer form stating the reason for denial.

If the transfer is a resident convenience transfer, and the resident refuses a unit offered, the resident will not be permitted to request a subsequent transfer for a period of one year from the date of refusal of the unit offered.

Residents who wish to dispute for good cause are permitted to use MHA's grievance procedures. Examples of good cause are listed in Chapter 4, Tenant Selection and Assignment Plan, but are not only limited to those listed.

NOTE: A transfer will require good coordination and communication between the gaining and losing developments.

Tenants are allowed only one transfer every two (2) years, with the exception of emergency or MHA initiated transfers.

Chapter 9 LEASING

INTRODUCTION

It is MHA's policy that all units must be occupied pursuant to a dwelling Lease Agreement that complies with HUD's regulations. This Chapter describes pre-leasing activities and MHA's policies pertaining to Lease execution, security deposits, other charges, and additions to the Lease.

A. LEASE ORIENTATION

Upon execution of the Lease, a MHA representative will provide a lease orientation to the family head and spouse. The orientation may be conducted with more than one family.

The family must attend an orientation before taking occupancy of the unit and within 30 calendar days after execution of the Lease.

Orientation Agenda

When families attend the lease orientation, they will be provided with:

- A copy of MHA's Lease and Grievance procedure
- A copy of MHA's Handbook
- A copy of MHA's House Rules
- A copy of MHA's emergency work order policies

Topics to be discussed will include, but are not limited to:

- Applicable deposits and other charges
- Provisions of the Lease
- Family Choice of Rents
- Orientation to the community
- Unit maintenance and work orders
- Explanation of occupancy forms
- Terms of occupancy
- Community Service
- Anti-fraud policies

B. LEASE REQUIREMENTS

The initial term of the Lease will be for 12 months. The Lease will renew automatically for 12-month terms except for noncompliance with the community service requirement, as described in the chapter on community service, or any other lease requirement.

Because the Lease automatically renews for terms of 12 months, an annual signing process is not required.

C. EXECUTION OF LEASE

The Lease shall be executed by the head of household, spouse, and by an authorized representative of the Housing Authority, prior to admission.

The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

An appointment will be scheduled for the parties to execute the Lease. One executed copy of the Lease will be given to the tenant, and MHA will retain one in the tenant's file. The Lease is incorporated into this policy by reference. The Lease document will reflect current MHA policies as well as applicable Federal, State and local law.

The following provisions govern Lease execution and amendments:

- A Lease is executed at the time of admission for all new tenants.
- A new Lease is executed at the time of the transfer of a tenant from one housing development unit to another (with no change in reexamination date).
- If, for any reason, the head of household ceases to be a member of the household, MHA will consider executing a Lease with the remaining family member(s). Refer to Chapter 11 for additional information on remaining family members.
- Lease signers must be persons legally eligible to execute contracts.
- The names, Social Security numbers, and date of birth of all household members are listed on the Lease at initial occupancy and on the Application for Continued Occupancy each subsequent year. Only those persons listed on the most recent certification shall be permitted to occupy a dwelling unit.
- Whenever there is a change in the family composition, a new Lease will be executed.
- Changes to tenant rents are made upon the preparation and execution of a "Notice of Rent Adjustment" by MHA, which becomes an attachment to the Lease. Documentation will be included in the tenant file to support proper notice.
- Households that include a Live-In Attendant will contain file documentation that the Live-In Attendant is not a party to the Lease and is not entitled to MHA assistance, with the exception of occupancy while serving as the attendant for the participant family member. Only one additional bedroom can be assigned to a Live-In Attendant to accommodate the Live-In Attendant only.

MHA may modify its form of Lease from time to time, giving tenants an opportunity to comment on proposed changes and advance notice of the implementation of any changes.

A tenant's refusal to accept permissible and reasonable Lease modifications, or those modifications required by HUD, is grounds for termination of tenancy.

D. ADDITIONS TO THE LEASE

Requests for the addition of a new member of the household must be approved by MHA, prior to the actual move-in by the proposed new member(s), except for births, adoptions, and court-awarded child custody.

Following receipt of a family's request for approval, MHA will conduct a pre-admission screening, including the Criminal History Report, of the proposed new member. Only new members approved by MHA will be added to the household.

Factors determining household additions:

1. Household additions subject to screening:

- Resident plans to marry;
- Resident desires to add a new family member to the Lease, employ a live-in aide, or take in a foster child/children.

2. Factors determining household additions that may be subject to screening, depending on MHA discretion:

- MHA will request that the public housing tenant provide MHA with a signed consent form from the parent(s) or legal guardian allowing MHA to check the records of the child. Sources to be checked may include any of the following:
 - School Records (attendance/behavior)
 - Police Records

3. In such cases where the addition of a new member who has not been born, married, or legally adopted into the family, and the addition will affect the bedroom size required by the family, according to MHA's occupancy standards, MHA will not approve the addition.

4. Residents who fail to notify MHA of additions to the household, or who permit persons to join the household without undergoing screening, are in violation of the Lease. Such persons are considered to be unauthorized occupants by MHA, and the entire household will be subject to eviction.

5. Family members age 18 and over who move from the dwelling unit to establish new households shall be removed from the Lease. The tenant must notify MHA of the move-out within 10 calendar days of its occurrence.

- These individuals may not be readmitted to the unit, if they fail the screening criteria and over-crowd the unit.

MHA, in making determinations under this paragraph, will consider medical hardship or other extenuating circumstances.

6. The resident may not allow visitors to stay overnight for more than 14 consecutive days without MHA approval.
 - Visitors who remain beyond the MHA-authorized period shall be considered trespassers, and their presence constitutes a breach of the Lease.
 - If an individual other than a leaseholder is representing to an outside agency that they are residing in the lessee's unit, the person will be considered an unauthorized member of the household.
7. Roomers and lodgers are not permitted to occupy a dwelling unit, nor are they permitted to move in with any family occupying a dwelling unit.
 - Residents are not permitted to allow a former tenant of MHA who has been evicted to occupy the unit for any period of time.
 - Residents must advise MHA when they will be absent from the unit for more than 7 days and provide a means for MHA to contact the resident in the event of an emergency. Failure to advise MHA of extended absences is grounds for termination of the Lease.

E. LEASING UNITS WITH ACCESSIBLE OR ADAPTABLE FEATURES

Before offering a vacant accessible unit to a non-disabled applicant, MHA will offer such units:

- First, to a current occupant of another unit of the same development, or other public housing developments under MHA's control, who has a disability that requires the special features of the vacant unit.
- Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

MHA will require a non-disabled applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. This requirement will be a provision of the lease agreement.

F. UTILITY SERVICES

Tenants responsible for direct payment of utilities must abide by any and all regulations of the specific utility company, including regulations pertaining to advance payments of deposits.

Failure to maintain utility services during tenancy is a Lease violation and grounds for eviction.

G. SECURITY DEPOSITS

Security Deposit

New tenants must pay a security deposit to MHA at the time of admission.

The amount of the security deposit required is based on the bedroom size of the unit:

Zero Bedroom:	\$100
One Bedroom:	\$100
Two Bedroom:	\$125
Three Bedroom:	\$150
Four Bedroom:	\$175

The security deposit may be paid in installments of no more than three monthly payments. Installments are due and payable with rent, no later than the 5th of the month. MHA will apply all Utility Assistance Payments to any unpaid security deposit balance until paid in full.

MHA will hold the security deposit for the period the tenant occupies the unit.

MHA will refund to the tenant the amount of the security deposit less any amount needed to pay the cost of:

- Unpaid Rent;
- Damages listed on the Move-Out Inspection Report that exceed normal wear and tear;
- Other charges under the Lease.

MHA will refund the Security Deposit less any amounts owed, within 30 calendar days after move out and tenant's notification of new address.

MHA will provide the tenant or the person designated by the former tenant in the event of the former tenant's incapacitation or death with a written list of any charges against the security deposit. If the tenant disagrees with the amount charged to the security deposit, MHA will provide a meeting to discuss the charges.

The resident must leave the dwelling unit in a clean and undamaged (beyond normal wear and tear) condition and must furnish a forwarding address to MHA. All keys to the unit must be returned to the Management office upon vacating the unit.

MHA will not use the security deposit for payment of rent or other charges while the tenant is living in the unit.

If the tenant transfers to another unit, MHA will transfer the security deposit to the new unit. The tenant will be billed for any maintenance or other charges.

Pet Deposit

See chapter on Pet policy.

H. RENT PAYMENTS

The tenant rent is due and payable at the MHA Administration Building or at the tenant's property office on the 1st of every month. If the 1st falls on a weekend or holiday, the rent is due and payable on the first business day thereafter. Rent is considered delinquent after the 5th day of the month.

If MHA does not receive payment by the agreed-upon date, a delinquent rent notice will be sent.

MHA will only accept rent payment with money orders, cashier's check, and personal checks. Cash payments are not acceptable. MHA reserves the right to refuse personal checks from tenants who have previously submitted checks for payment that were returned from the bank for non-sufficient funds.

I. FEES AND NONPAYMENT PENALTIES

If the tenant fails to make payment by the 5th day of the month MHA will issue to the tenant a 14-day notice for failure to pay rent, demanding payment in full or the surrender of the premises.

If the tenant fails to make payment by the 5th day of the month, a late fee of \$5 will be charged.

If a check is not redeemed and the rent satisfied by the 5th day of the month, the rent will be considered unpaid.

MHA will always consider the rent unpaid when a check is returned as NSF or a check is written on a closed account.

Any rent payment received will be applied to the oldest rent charges in the resident's account with the exception of debts currently under a payment agreement.

J. SCHEDULES OF SPECIAL CHARGES

Schedules of special charges for services, repairs, utilities and rules and regulations which are required to be incorporated into the lease by reference shall be publicly posted in a conspicuous manner in the project office, and they will be provided to applicants and tenants upon request.

K. MODIFICATIONS TO THE LEASE

Schedules of special charges and rules and regulations are subject to modification or revision. Residents and resident organizations will be provided at least thirty days written notice of the reason(s) for any proposed modifications or revisions, and they will be given an opportunity to present written comments. Comments will be taken into consideration before any proposed modifications or revisions become effective.

A copy of such notice shall be posted in the Central Office and in the office at each housing development.

After the proposed changes have been incorporated into the Lease and approved by the Board, each family will be notified of the effective date of the new Lease. Any modifications of the Lease must be accomplished by a written addendum to the Lease and signed by both parties.

L. CANCELLATION OF THE LEASE

Cancellation of the tenant's Lease is to be in accordance with the provisions contained in the Lease agreement and as stated in this policy.

M. INSPECTIONS OF PUBLIC HOUSING UNITS

Initial Inspections

MHA and the family will inspect the premises prior to occupancy of the unit in order to determine the condition of the unit and equipment in the unit. A copy of the initial inspection, signed by MHA and the tenant, will be kept in the tenant file.

Any adult member may sign the inspection form for the head of household.

Vacate Inspections

Residents are required to return unit keys to the development office upon move-out. When a resident returns the unit keys upon vacating a unit, a move-out inspection will be conducted with the resident, management, and maintenance staff. If the keys are not returned during the move-out, the move-out inspection will occur upon discovery of the vacant unit.

The purpose of this inspection is to determine necessary maintenance and whether there are damages that exceed normal wear and tear. MHA will determine if there are tenant caused damages to the unit. Tenant caused damages may affect part or all of the family's security deposit.

The move-out inspection also assists MHA in determining the time and extent of the preparation and repairs necessary to make the unit ready for the next tenant.

The resident is encouraged to participate in the move-out inspection.

If tenant fails to participate in the inspection, tenant waives the right to a grievance and agrees to the charges, if any, assessed by MHA.

If notice is not a 30-day to vacate, tenant will be charged for 30 days in rent.

Quarterly Unit Inspections

MHA will provide tenants no less than 48 hours notice prior to performing non-emergency inspections.

MHA will inspect all units quarterly using MHA Housekeeping Standards and HUD's Uniform Physical Condition Standards (UPCS) as guidelines.

Residents who fail an inspection due to violation of Housekeeping Standards shall be required to complete an MHA approved Housekeeping Instruction Course within 30 days of the initial inspection failure as well as pass a subsequent re-inspection of the unit. Residents who fail to attend the required course or fail the re-inspection will be issued a 30-day Lease termination notice (notice to vacate).

The unit will be considered to have failed HUD's Uniform Physical Condition Standards if there are any *life-threatening* Health and Safety deficiencies.

If necessary to bring the unit into UPCS compliance, needed repairs will be completed by MHA.

All inspections will include a check of all smoke alarms, carbon monoxide detectors, and fire extinguishers to ensure proper working order.

The inspection report will indicate whether required corrections are to be charged to the resident or covered by MHA.

Required non life-threatening corrections will be repaired by MHA within 20 days of the inspection date. Corrections to life-threatening deficiencies will be made within 24 hours of the inspection date.

Damages beyond "normal wear and tear" will be billed to the tenant.

Residents who "fail" the inspection more than once in a 12 month period or cause excessive damage to the unit are in violation of their Lease.

Once notified of maintenance charges due to damages beyond normal wear and tear, the resident will be given an opportunity to grieve the charges under MHA's Grievance policy.

Quality Control Inspections

The housing management staff will conduct periodic quality control inspections to determine the condition of the unit and to identify problems or issues in which MHA can be of service to the family.

MHA staff will conduct quality control inspections for 5% of the units in which housing management staff requested an inspection, where repairs were made to vacant units generated by move-out inspections, that are under general contract maintenance or contracted out to low bid contractors.

The purpose of these quality control inspections is to assure that repairs were completed at an acceptable level of craftsmanship and within an acceptable time frame.

MHA inspection staff will conduct quality control inspections for 5 % of the units receiving a preventive maintenance inspection within 5 days of the preventive maintenance inspection.

The property manager will conduct periodic inspections to determine the condition of the unit and to identify problems or issues in which MHA can be of service to the family.

Special Inspections

Housing management staff may conduct a special inspection for housekeeping, unit condition, or suspected Lease violation.

HUD representatives or local government officials may review MHA operations periodically and as a part of their monitoring may inspect a sampling of MHA's inventory.

Emergency Inspections

Housing management staff, including MHA inspectors may initiate an emergency inspection report to generate a work order if they believe that an emergency exists in the unit or on a public housing site. In addition, the inspector may conduct an emergency inspection without a work order and generate a work order after the inspection has been conducted (see Entry of Premises Notice in this chapter.) Repairs are to be completed within 24 hours from the time the work order is issued.

Emergency Repairs to be Completed in Less than 24 Hours

The following items are to be considered emergency in nature and require immediate (less than 24 hour) response:

- Lock-out (with proper identification of resident)
- Broken lock, which affects unit security

- Broken window glass, which affects unit security, is a cutting hazard, or occurs within inclement weather (to be secured or abated)
- Escaping gas
- Plumbing leaks that can cause flooding or damage to the unit
- Natural gas leaks or smell of fumes
- Backed-up sewage or flooding
- Electrical hazard
- Units with elderly residents in which the MHA -owned air conditioner or heater (seasonal) or refrigerator is inoperable
- Inoperable smoke detectors will be treated as a 24-hour emergency and will be made operable by MHA if the smoke detector is in need of repair.

Entry of Premises Notices

MHA will give prior written notice for non-emergency inspections. Non-emergency entries to the unit will be made during reasonable hours of the day.

MHA will provide the family with 48-hour notice prior to entering the unit for non-emergency reasons.

An adult family member should be present in the unit during the inspection.

If no person is at home, the inspector will enter the unit and conduct the inspection.

If no one is in the unit, the person(s) who enters the unit will leave a written notice to the resident explaining the reason the unit was entered and the date and time.

Reasons MHA will enter the unit are:

- Inspections and maintenance
- To make improvements and repairs
- To show the premises for leasing
- In cases of emergency

The family must call MHA at least 24 hours prior to the scheduled date of inspection to reschedule the inspection, if necessary.

MHA will reschedule the inspection no more than once unless the resident has a verifiable medical reason that has hindered the inspection. MHA may request verification.

Repairs requested by the family will not require prior notice to the family. Residents are notified in the lease that resident-requested repairs presume permission for MHA to enter.

Non-Inspection Emergency Entry

MHA staff will allow access to the unit to proper authorities when issues of health or safety of the tenant are concerned.

Family Responsibility to Allow Inspection

MHA must be allowed to inspect the unit at reasonable times with reasonable notice. 48 - hour written notice will be considered reasonable in all cases.

The family must give MHA at least 24 hours before the inspection date to reschedule the inspection, if necessary.

MHA will reschedule the inspection no more than once unless the resident has a verifiable medical reason that has hindered the inspection. MHA may request verification.

If the resident refuses to allow the inspection, the resident will be in violation of the Lease.

Housekeeping Citations

Residents who fail an inspection due to violation of Housekeeping Standards shall be required to complete an MHA approved Housekeeping Instruction Course within 30 days of the initial inspection failure as well as pass a subsequent re-inspection of the unit. Residents who fail to attend the required course or fail the re-inspection will be issued a 30-day Lease termination notice (notice to vacate). Failure of more than one inspection in a 12 month period is grounds for termination of the Lease.

Tenant Damages

Repeated failed inspections or damages to the unit beyond normal wear and tear may constitute serious or repeated Lease violations.

"Beyond normal wear and tear" is defined as items that could be charged against the tenant's security deposit under state law or court practice.

Smoke Alarm Tampering

Residents who turn their smoke detectors off or damage and/or remove any one of the safety devices provided by MHA will be counseled for the first violation and charged for labor plus the cost of material replacement. On the second offense, the resident will be charged a \$25 service charge plus the cost of material replacement and will be referred to

the Muskogee Fire Department Fire Marshall for possible fines. On the third offense, Lease termination proceedings will be initiated.

Chapter 10

PET POLICY – GENERAL OCCUPANCY (FAMILY)

PROJECTS

EXCLUSIONS

This policy does not apply to animals that are used to assist persons with disabilities. Assistive animals are allowed in all public housing facilities with no restrictions other than those imposed on all tenants to maintain their units and associated facilities in a decent, safe, and sanitary manner and to refrain from disturbing their neighbors.

PETS IN SENIOR BUILDINGS

The Muskogee Housing Authority will allow for pet ownership in projects or buildings designated for use by elderly and/or disabled families and in any project or building for which elderly and/or disabled families are given preference. Except at the developments and buildings listed below, pet ownership is prohibited in all public housing properties.

- A. Honor Heights Towers
- B. Port City Acres
- C. Green Country Village

Approval

Residents must have the prior approval of the Housing Authority before moving a pet into their unit. Residents must request approval on the Authorization for Pet Ownership Form that must be fully completed before the Housing Authority will approve the request.

Types and Number of Pets

The Muskogee Housing Authority will allow only domesticated dogs, cats, birds, and fish in aquariums in units. All dogs and cats must be neutered.

- Only one (1) pet per unit allowed. Only one aquarium allowed per unit.
- Any animal deemed to be potentially harmful to the health or safety of others, including attack or fight trained dogs, will not be allowed.
- No animal may exceed twenty-five (25) pounds in weight.

Inoculations

In order to be registered, pets must be appropriately inoculated against rabies and other conditions prescribed by local ordinances.

Pet Deposit

A non-refundable pet deposit of \$350 is required, in full, at the time of registering a pet.

Financial Obligation of Residents

Any resident who owns or keeps a pet in their dwelling unit will be required to pay for any damages caused by the pet. Also, any pet-related insect infestation in the pet owner's unit will be the financial responsibility of the pet owner and the Muskogee Housing Authority reserves the right to exterminate and charge the resident.

Nuisance or Threat to Health or Safety

The pet and its living quarters must be maintained in a manner to prevent odors and any other unsanitary conditions in the owner's unit and surrounding areas.

Repeated substantiated complaints by neighbors or Muskogee Housing Authority personnel regarding pets disturbing the peace of neighbors through noise, odor, animal waste, or other nuisance will result in the owner having to remove the pet or move him/herself.

Designation of Pet areas

Pets must be kept in the owner's apartment or on a leash and accompanied by the owner at all times when outside (no outdoor cages may be constructed and no pet is to be tied up outside of the unit). Pets will be allowed only in designated areas on the grounds of the projects if such an area has been established. Pet owners must clean up after their pets and are responsible for disposing of pet waste.

Visiting Pets

Pets that meet the size and type criteria outlined above may visit the projects/buildings where pets are allowed for up to seven (7) days without Muskogee Housing Authority approval. Tenants who have visiting pets must abide by the conditions of this policy regarding health, sanitation, nuisances, and peaceful enjoyment of others. If visiting pets violate this policy or cause the tenant to violate the lease, the tenant will be required to remove the visiting pet.

REMOVAL OF PETS

The Muskogee Housing Authority, or an appropriate community authority, shall require the removal of any pet from a project if the pet's conduct or condition is determined to be a nuisance or threat to the health or safety of other occupants of the project or of other

persons in the community where the project is located.

Chapter 11

REEXAMINATIONS

INTRODUCTION

HUD requires that MHA offers all families the choice of paying income-based rent or flat rent at least annually. Families who choose to pay flat rent are required to complete a reexamination of income, deductions and allowances at least once every three years. To determine the amount of income-based rent, it is necessary for MHA to perform a reexamination of the family's income annually. At the annual reexamination, families who choose to pay income-based rent must report their current household composition, income, deductions and allowances. Between regular annual reexaminations, HUD requires that families report all changes in household composition, but MHA decides what other changes must be reported and the procedures for reporting them. This Chapter defines MHA's policy for conducting annual reexaminations. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ELIGIBILITY FOR CONTINUED OCCUPANCY

Residents who meet the following criteria will be eligible for continued occupancy:

- Qualify as a family as defined in this policy;
- Are in full compliance with the obligations and responsibilities described in the dwelling Lease;
- Whose family members each have submitted their Social Security numbers;
- Whose family members have submitted required citizenship/eligible immigration status/noncontending documents;
- Are in full compliance with the obligations and responsibilities described in the One Strike policy.

B. ANNUAL REEXAMINATION

The terms *annual recertification* and *annual reexamination* are synonymous.

In order to be recertified, families are required to provide current and accurate information on income, assets, allowances and deductions, and family composition.

Families who choose flat rent are to be recertified every three years. For families who move in on the first of the month, the annual recertifications will be completed within 12 months of the anniversary of the move-in date. (Example: If family moves in August 1, the annual recertification will be conducted to be effective on August 1, the following year.)

For families who move in during the month, the annual recertification's will be completed no later than the first of the month in which the family moved in, the following year.

(Example: If family moves in August 15, the effective date of the next annual recertification is August 1.)

When families move to another dwelling unit:

- The annual recertification will not change.

Reexamination Notice to the Family

All families will be notified of their obligation to recertify. The notification shall be sent at least 120 days in advance of the anniversary date.

The notification shall explain family choice of income-based or flat rent.

- The family will indicate whether the family chooses income-based or flat rent by checking the appropriate box on the document, signing the document, and returning the document to MHA.

Methodology

If the family chooses income-based rent MHA will use the following methodology for conducting annual recertification's:

- To schedule the specific date and time of appointments in the written notification to the family.

Persons with Disabilities

Persons with disabilities, who are unable to come to MHA's office will be granted an accommodation of conducting the interview at the person's home upon verification that the accommodation requested meets the need presented by the disability.

Collection of Information

The MHA representative will interview the family and enter the information provided by the family on the recertification form.

Requirements to Attend

The following family members will be required to attend the recertification interview and sign the application for continued occupancy:

- All adult household members

If the head of household is unable to attend the interview:

- The appointment will be rescheduled once.

Failure to Respond to Notification to Recertify

The written notification will explain which family members are required to attend the recertification interview. The family may call to request another appointment date up to 5 days prior to the interview.

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with MHA, MHA will reschedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, MHA will terminate the tenancy of the family.

Exceptions to these policies may be made by phone if the family is able to document an emergency situation that prevented them from canceling or attending the appointment.

Documents Required from the Family

In the notification letter to the family, MHA will include instructions for the family to bring the following such documents:

- Documentation of income for all family members
- Documentation of liquid and non-liquid assets
- Documentation to substantiate any deductions or allowances
- Personal Declaration Form completed by head of household
- Documentation verifying compliance with community service by all non-exempt adults
- Picture Identification
- Social Security card

Verification of Information

All information, which affects the family's continued eligibility for the program, and the family's Total Tenant Payment (TTP) will be verified in accordance with the verification procedures and guidelines described in this Policy. Verifications used for recertification must be less than 120 days old. All verifications will be placed in the file, which has been established for the family.

- When the information has been verified, it will be analyzed to determine:
- The continued eligibility of the resident as a *family* or as the *remaining member* of a family;
- the unit size required by the family;

- The amount of rent the family should pay.

If there is any change in rent, including change in family's choice in rent, the lease will be amended, or a new lease will be executed, or a Notice of Rent Adjustment will be issued.

Tenant Rent Increases

If tenant rent increases, a thirty-day notice will given to the family prior to the anniversary date.

Tenant Rent Decreases

If tenant rent decreases, it will be effective on the anniversary date.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by MHA.

If the tenant rent decreases and the tenant reported the change within a month prior to the annual recertification anniversary date or between the annual recertification anniversary date and the effective date of the annual recertification, the change will be treated as an interim. The change will be effective the first of the following month that the family reported the change.

C. REPORTING INTERIM CHANGES

Families must report all changes in household composition to MHA between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. The family must obtain MHA approval prior to all other additions to the household.

When there is a change in head of household or a new adult family member is added, MHA will complete an application for continued occupancy and reverify, using the same procedures MHA staff would use for an annual reexamination, except for effective dates of changes. In such case, the Interim Reexamination Policy would be used.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified prior to the approval by MHA of the family member being added to the lease.

Interim Reexamination Policy

Families electing to pay income-based rent must comply with the following requirements between regularly scheduled reexaminations of family composition and income:

- Between annual reexaminations, households who do not qualify under the "Exception to Interim Reexamination" policy must report increases in income to the housing manager within 10 calendar days of the occurrence. Rent increases will take effect after proper thirty (30) day notice to the tenant.
- Failure of the resident to report in a timely manner will result in a rent increase and the

increase will be retroactive to the first of the month following the month in which the increase in income was effective.

- Any reported decrease in income will result in a recalculation of tenant rent, and if applicable, tenant rent will be decreased effective the first of the month following the month in which the decrease was reported.
- Residents with seasonal or part-time employment of a cyclical nature will be asked for third party documentation of the circumstances of their employment including start and ending dates. Income from these sources will be annualized for determination of rent based on average earnings during the prior periods.
- MHA may process an interim adjustment in rent if at an annual or interim re-certification a resident misrepresents the facts upon which the rent is based.
- Complete justification and verification of the circumstances applicable to rent adjustments must be documented by the resident and approved by MHA. Interim reexaminations for families paying flat rent will be conducted based on the following:
 - The family may at anytime request and be permitted to convert from paying a flat rent to an income-based rent if the family is unable to pay the flat rent due to a financial hardship, defined as follows:
 - The family has experienced a decrease in income because of changed circumstances, including the loss or reduction of employment, death in the family or a reduction in other assistance.
 - The family has experienced an increase in expenses because of changed circumstances, for medical costs, childcare, transportation, education or similar items.
 - MHA will complete the interim reexamination within 30 days from the date of the family's request to convert from the flat rent to income-based rent. The flat rent will become effective the first of the month following the request.

Increases in Income to Be Reported

Families who do not qualify under the "Exception to Interim Reexamination" policy must report all increases in income/assets of all household members to MHA in writing or verbally within 10 calendar days of the occurrence.

Increases in Income and Rent Adjustments

Rent increases (except those due to misrepresentation) require 30 days notice.

Exception to Interim Reexamination Policy

Elderly and/or Disabled households are not required to report increases in income between annual reexaminations from the following sources unless the increase is greater than \$200 per month:

1. Social Security
2. SSA
3. SSI
4. Aid to Disabled
5. Aid to the Aged

Decreases in Income and Rent Adjustments

Residents must report a decrease in income and other changes, such as an increase in allowances or deductions that would reduce the amount of the Total Tenant Payment.

MHA will process the rent adjustment unless MHA confirms that the decrease in income will last less than 30 calendar days.

The effective date of the reduced rent amount as a result of an interim reexamination shall be the current month if verification is received before the 15th day of the month. If verification is received on or after the 15th day of the month the reduced rent will become effective on the first day of the following month.

D. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

MHA will not reduce the public housing rent for families whose welfare assistance is reduced due to a "specified welfare benefit reduction," which is a reduction in welfare benefits due to:

- Fraud by a family member in connection with the welfare program; or
- Noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program

A "specified welfare benefit reduction" does not include a reduction of welfare benefits due to:

- The expiration of a lifetime time limit on receiving benefits; or

- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment, such as:
 - The family has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.
- Noncompliance with other welfare agency requirements.

Definition of "Covered Family":

A household that receives benefits for welfare or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency program, as outlined in the Code of Federal Regulations.

Definition of "Imputed Welfare Income":

The amount of annual income, not actually received by a family, as a result of a specified welfare benefit reduction, that is included in the family's income for purposes of determining rent.

The amount of imputed welfare income is determined by MHA, based on written information supplied to MHA by the welfare agency, including:

- The amount of the benefit reduction
- The term of the benefit reduction
- The reason for the reduction
- Subsequent changes in the term or amount of benefit reduction

Imputed welfare income will be included at annual and interim reexaminations during the term of reduction of welfare benefits.

The amount of imputed welfare income will be offset by the amount of additional income a family receives that begins after the sanction was imposed. When additional income is at least equal to the imputed welfare income, the imputed income will be reduced to zero.

If the family was not an assisted resident of public housing when the welfare sanction began, imputed welfare income will not be included in annual income.

Verification Before Denying a Request to Reduce Rent

MHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

MHA will rely solely on the welfare agencies written notice to MHA regarding welfare sanctions.

Cooperation Agreements

MHA has a written cooperation agreement in place with the local welfare agency that assists MHA in obtaining the necessary information regarding welfare sanctions.

MHA has taken a proactive approach to culminating an effective working relationship between MHA and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to public housing residents.

MHA and the local welfare agency have mutually agreed to notify each other of any economic self-sufficiency and/or other appropriate programs or services that would benefit public housing residents.

Family Dispute of Amount of Imputed Welfare Income

If the family disputes the amount of imputed income and MHA denies the family's request to modify the amount, MHA will provide the tenant with a notice of denial, which will include:

- An explanation for MHA's determination of the amount of imputed welfare income.
- A statement that the tenant may request a grievance hearing.
- A statement that the information received from the welfare agency cannot be disputed at the grievance hearing, and the issue to be examined at the grievance hearing will be MHA's determination of the amount of imputed welfare income, not the welfare agency's determination to sanction the welfare benefits.
- A statement that if the tenant requests a grievance hearing, the tenant will not be required to pay an escrow deposit for the portion of tenant rent attributable to the imputed welfare income.

MHA is not responsible for determining that a reduction of welfare benefits was correctly determined by the welfare agency.

MHA is entitled to reply on the welfare agency notice to the PHA of the agency's determinations of a specified welfare benefit reduction.

E. OTHER INTERIM REPORTING ISSUES

An interim reexamination will be performed on families with zero income every thirty (30) days. The Zero Income Certification form and Fraud Statement must be completed at each Zero Income reexamination.

MHA will conduct the interim recertification in person.

MHA Errors

If MHA makes a calculation error at admission to the program or at an annual or interim reexamination, an interim reexamination will be conducted to correct the error, but the family will not be charged retroactively.

F. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)

Standard for Timely Reporting of Changes

MHA requires that families, with the exception of those households who qualify for the Exception to Interim Reexamination policy, report interim changes to them within ten (10) working days of when the change occurs . Any information, document or signature needed from the family that is needed to verify the change must be provided by the family for the change to take effect.

If the change is not reported within the required time period, or if the family fails to provide signatures, certifications or documentation, (in the time period requested by MHA) it will be considered untimely reporting.

Procedures When the Change Is Not Reported by the Tenant in a Timely Manner

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

- **Increase in Tenant Rent** will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any underpaid rent, and may be required to make a lump sum payment or sign a repayment agreement for no more than twelve months.
- **Decrease in Tenant Rent** will be effective on the first of the month following completion of processing by MHA and not retroactively.
- MHA will not execute a repayment agreement for more than twelve months.

Procedures when the Change is not Processed by MHA in a Timely Manner

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by MHA in a timely manner.

Therefore, an increase will be effective after the required thirty days' notice prior to the first of the month after completion of processing by MHA.

G. REPORTING OF CHANGES IN FAMILY COMPOSITION

The members of the family residing in the unit must be approved by MHA. The family must inform MHA and request approval of additional family members other than additions

due to birth, adoption, marriage, court-awarded custody before the new member occupies the unit.

MHA will not approve the addition of family members other than by birth, adoption, marriage or court-awarded custody where the occupancy standards would require a larger size unit, if a comparable unit is not available.

All changes in family composition must be reported within 10 working days of the occurrence in writing.

If an adult family member is declared permanently absent by the head of household, the notice must contain a certification by the head of household that the member (who may be the head of household) is removed permanently.

Increase in Family Size

MHA will consider a unit transfer (if needed under the Occupancy Guidelines) for additions to the family in the following cases:

- Addition by marriage/or marital-type relation.
- Addition of a MHA -approved live-in attendant.
- Addition due to birth, adoption or court-awarded custody.

Families who need a larger sized unit because of voluntary additions will have lower priority on the Transfer List than other families who are required to change unit size.

If a change due to birth, adoption, court-awarded custody, or need for a live-in attendant requires a larger size unit due to overcrowding, the change in unit size shall be made effective upon availability of an appropriately sized unit.

Definition of "Temporarily/Permanently Absent"

MHA must compute all applicable income of every family member who is on the lease, including those who are temporarily absent.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition. MHA will evaluate absences from the unit in accordance with this policy.

Absence of Entire Family

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, MHA will

terminate tenancy in accordance with the appropriate lease termination procedures contained in this Policy.

Families are required to notify MHA before they move out of a unit in accordance with the lease and to give MHA information about any family absence from the unit.

Families must notify MHA if they are going to be absent from the unit for more than seven consecutive days. A person with a disability may request an extension of time as an accommodation.

"Absence" means that no family member is residing in the unit.

In order to determine if the family is absent from the unit, MHA may:

- Conduct home visit
- Write letters to the family at the unit
- Telephone the family at the unit
- Interview neighbors
- Verify if utilities are in service
- Check with Post Office for forwarding address
- Contact emergency contact

If the entire family is absent from the unit, without MHA permission, for more than seven consecutive days, the unit will be considered to be vacant and MHA will terminate tenancy.

As a reasonable accommodation for a person with a disability, MHA may approve an extension. (See *Absence Due to Medical Reasons* for other reasons to approve an extension.) During the period of absence, the rent and other charges must remain current.

Absence of Any Member

Any member of the household will be considered permanently absent if s/he is away from the unit for six consecutive months except as otherwise provided in this Chapter.

Absence Due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, MHA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 30 consecutive days, the family member will not be considered permanently absent, as long as rent and other charges remain current.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with MHA 's "Absence of Entire Family" policy.

Absence Due to Incarceration

If the sole member is incarcerated for more than 30 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for 30 consecutive days. The rent and other charges must remain current during this period.

MHA will determine if the reason for incarceration is for drug-related or criminal activity, which would threaten the health, safety, and right to peaceful enjoyment of the dwelling unit by other residents.

Foster Care and Absences of Children

If the family includes a child or children temporarily absent from the home due to placement in foster care, MHA will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than six months from the date of removal of the child(ren), the family will be required to move to a smaller size unit. If all children are removed from the home permanently, the unit size will be reduced in accordance with MHA's occupancy guidelines.

Absence of Adult

If neither parent remains in the household nor the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, MHA will treat that adult as a visitor for the first 30 calendar days.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, and the caretaker qualifies under Tenant Suitability criteria, the lease will be transferred to the caretaker.

If the court has not awarded custody or legal guardianship, but the action is in process, MHA will secure verification from social services staff or the attorney as to the status.

MHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the unit to care for the child(ren) for an indefinite period.

When MHA approves a person to reside in the unit as caretaker for the child(ren), the income of the caretaker should be counted pending a final disposition. MHA will work with the appropriate service agencies to provide a smooth transition in these cases.

If a member of the household is subject to a court order that restricts him/her from the home for more than 30 days, the person will be considered permanently absent.

If an adult child goes into the military and leaves the household, they will be considered permanently absent.

Full time students who attend school away from the home will be treated in the following manner:

- Full time students who attend school away from the home and live with the family during school recess will be considered temporarily absent from the household.

Visitors (See Chapter on Leasing)

Any person not included on the Lease who has been in the household for more than 14 consecutive days without written consent from MHA will be considered as living in the unit as an unauthorized household member.

Absence of evidence of any other address will be considered verification that the visitor is an unauthorized household member.

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

MHA will consider:

- Statements from neighbors and/or MHA staff
- Vehicle license plate verification
- Post Office records
- Driver's license verification
- Law enforcement reports
- Credit reports

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

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

Minors and college students who were part of the family but who now live away from home during the school year and are not considered members of the household may visit for up to 30 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household according to the specifications in the court order, the minor may be considered to be an eligible visitor and not a family member. If both parents reside in Public Housing, only one parent would be able to claim the child for deductions and for determination for the occupancy standards.

H. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF UNIT

To be considered the remaining member of the tenant family, the person must have been previously approved by MHA to be living in the unit.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

A remaining family member must reside in the unit and listed as a household member for a minimum of two years.

In order for a minor child to continue to receive assistance as a remaining family member:

- MHA has to verify that social services and/or the Juvenile Court has arranged for another adult to be brought into the unit to care for the child/Children for an indefinite period.

A minor child who has been judicially emancipated to become head of household, and remains in the unit.

A reduction in family size may require a transfer to an appropriate unit size per the Occupancy Standards.

I. CHANGES IN UNIT SIZE

MHA shall grant exceptions from the occupancy standards if the family requests and MHA determines the exceptions are justified according to this policy.

MHA will not assign a larger bedroom size due to additions of family members other than by birth, adoption, marriage or court-awarded custody, and live-in attendant.

MHA will consider the size of the unit and the size of the bedrooms, as well as the number of bedrooms, when an exception is requested.

When an approvable change in the circumstances in a tenant family requires another unit size, the family's move depends upon the availability of a suitable size and type of unit. If the unit is not available at the time it is requested, the family will be placed on the Transfer List.

(Reference chapter on Occupancy Standards)

J. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES

Under the Noncitizens Rule, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

"Mixed" families who were participants on June 19, 1995, shall continue receiving full assistance if they meet the following criteria:

- The head of household, co-head or spouse is a U.S. citizen or has eligible immigrant status; AND
- The family does not include any ineligible immigrants other than the head or spouse, or parents or children of the head, co-head or spouse.

Mixed families who qualify for continued assistance after 11/29/96 may receive prorated assistance only.

If they do not qualify for continued assistance, the member(s) that cause the family to be ineligible for continued assistance may move, or the family may choose prorated assistance (See Chapter titled "Factors Related to Total Tenant Payment Determination"). MHA may no longer offer temporary deferral of termination (see Chapter on "Lease Terminations").

Chapter 12

LEASE TERMINATIONS

INTRODUCTION

The Housing Authority of the City of Muskogee may terminate tenancy for a family because of the family's action or failure to act in accordance with HUD regulations [24 CFR 966.4 (1)(2)], and the terms of the Lease. This Chapter describes MHA's policies for notification of lease termination and provisions of the lease.

A. TERMINATION BY TENANT

The tenant may terminate the Lease by providing MHA with a written 30 day advance notice as defined in the lease agreement.

B. TERMINATION BY MHA

Termination of tenancy will be in accordance with MHA's Lease.

The initial term of the Lease will be for 12 months. The Lease will renew automatically for 12-month terms, except for noncompliance with any section of the Lease requirements.

The Lease may be terminated by MHA at any time by giving written notice for serious or repeated violation of material terms of the Lease, such as, but not limited to the following:

- K.** Nonpayment of rent or other charges due under the Lease, or repeated chronic late payment of rent;
- L.** Failure to provide timely and accurate statements of income, assets, expenses and family composition at Admission, Interim, Special or Annual Rent Recertification's;
- M.** Assignment or subleasing of the premises or providing accommodation for boarders or lodgers;
- N.** Use of the premises for purposes other than solely as a dwelling unit for the Tenant and Tenant's household as identified in the Lease, or permitting its use for any other purposes;
- O.** Failure to abide by necessary and reasonable rules made by MHA for the benefit and well being of the housing project and the Tenants;
- P.** Failure to abide by applicable building and housing codes materially affecting health or safety;
- Q.** Failure to dispose of garbage waste and rubbish in a safe and sanitary manner;
- R.** Failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning and other equipment, including elevators, in a safe manner;

- S. Acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts;
- T. Failure to pay reasonable charges (other than for normal wear and tear) for the repair of damages to the premises, project buildings, facilities, equipment, or common areas; or
- U. The Tenant, any member of the Tenant's household, or a guest or other person under the Tenant's control shall not engage in criminal activity including drug-related criminal activity, *on or off* public housing premises (as defined in the Lease), while the Tenant is a Tenant in public housing, and such criminal activity shall be cause for termination of tenancy. The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use, a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));
- V. If contraband or a controlled substance is seized on the above premises, incidental to a lawful search or arrest, MHA will be notified by the District Attorney's Office that it is to bring an unlawful detainer action against that Tenant. MHA will then commence unlawful detainer procedures to terminate the Lease;
- W. Alcohol and drug abuse that MHA determines interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;
- X. Non-compliance with Non-Citizen Rule requirements;
- Y. Failure to attend MHA mandatory meetings/trainings;
- Z. Failure of a family member to comply with community service provisions, as grounds only for non-renewal of the Lease and termination of tenancy at the end of the 12- month lease term;
- AA. Discovery after admission of facts that make the tenant ineligible; Discovery of material false statements or fraud by the Tenant in connection with an application for assistance or with reexamination of income;
- BB. Failure to accept MHA's offer of a Lease revision to an existing Lease that is on a form adopted by MHA in accordance with HUD regulations, with written notice of the offer of the revision at least 30 calendar days before the lease revision is scheduled to take effect; and with the offer specifying a reasonable time limit within that period for acceptance by the family.
- CC. Other good cause:
- DD. Disturbing other residents' peaceful enjoyment of their accommodations;
- EE. Having inoperable vehicles or vehicles without current license or insurance;

FF. Not giving prompt notice to MHA of tenant's leaving dwelling unit unoccupied for 30 days;

GG. Parking on lawn or unauthorized areas;

HH. Maintaining unauthorized pets allowed.

- Residents, members of the household, and guests of members of the household shall not engage in any abusive or harassing behavior, either verbal or physical, or any form of intimidation or aggression directed at other residents, occupants, guests, invitees, or directed at management, its agents, its employees, or vendors. Failure to abide constitutes grounds for lease termination and eviction from the unit.
- Any other good cause
- Over Income Families:

- Non-elderly, non-disabled families currently residing in a public housing unit that have, for a period of 90 consecutive days, a total household income equal to or greater than 120% of the current published HUD income limits will be given a 120 day notice to vacate. The 120 day notice to vacate will be effective beginning 90 days after the effective day of the family's certification which results in the family's over income status. If during the notice to vacate period the family's income falls below 120% of the current HUD published income limit, the notice to vacate will be rescinded and the family will not be forced to vacate the Public Housing unit.

If no families are on the public housing waiting lists at the time a public housing resident is determined to be over income, the over income family will not be given a notice to vacate until such waiting list status changes.

C. NOTIFICATION REQUIREMENTS

MHA's written Notice of Lease Termination will state the reason for the proposed termination, the date that the termination will take place, and it will offer the resident all of the rights and protections afforded by the regulations and this policy. (See Chapter on Complaints, Grievances and Hearings.)

Notices of lease termination shall be in writing and delivered to the tenant or adult member of the household by hand delivery, posting on the unit door, or certified mail.

The return of the certified mail receipt, whether signed or unsigned, shall be considered to be proof that the resident received proper notification.

The notice shall contain a statement describing the resident's right to meet with the manager to determine whether a reasonable accommodation would eliminate the need for a lease termination.

Disclosure of Criminal Records to Family

Before MHA terminates the Lease based on a criminal conviction record, the Tenant and subject of record will be provided with a copy of the criminal record. Tenants may dispute the accuracy and relevance of that record at the grievance hearing or court hearing.

Timing of the Notice

If MHA terminates the Lease, written notice will be given as follows:

- At least 14 calendar days prior to termination in the case of failure to pay rent or concurrent with the Notice of Lease termination;
- 48 hours for violation of the One Strike Policy;
- At least thirty days prior to termination in all other cases.

Criminal Activity

MHA will immediately terminate tenancy of persons convicted of manufacturing or producing methamphetamine on the premises of the assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.

MHA will terminate assistance of participants in cases where MHA determines there is reasonable cause to believe that the person is illegally using a controlled substance or engages in drug-related or other criminal activity. The same will apply if it is determined that the person abuses alcohol in a way that interferes with the health, safety or right to peaceful enjoyment of the premises by other residents. This includes cases where MHA determines that there is a pattern of illegal use of controlled substances or a pattern of alcohol abuse.

"Engaged in or engaging in or recent history of" drug related criminal activity means any act within the past 5 years by applicants or participants, household members, or guests which involved drug-related criminal activity including, without limitation, drug-related criminal activity, possession and/or use of narcotic paraphernalia, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

"Engaged in or engaging in or recent history of" criminal activity means any act within the past 5 years by applicants or participants, household members, or guests which involved criminal activity that would threaten the health, safety or right to peaceful enjoyment of the public housing premises by other residents or employees of MHA, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

D. RECORD KEEPING

A written record of every termination and/or eviction shall be maintained by MHA at the development where the family was residing, and shall contain the following information:

- Name of resident, number and identification of unit occupied;
- Date of the Notice of Lease Termination and any other notices required by State or local law; these notices may be on the same form and will run concurrently;
- Specific reason(s) for the Notices, citing the lease section or provision that was violated, and other facts pertinent to the issuing of the Notices described in detail (other than the Criminal History Report);
- Date and method of notifying the resident;
- Summaries of any conferences held with the resident including dates, names of conference participants, and conclusions.

Records for persons whose leases were terminated for any reason will be kept by the MHA indefinitely.

E. TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS

If MHA determines that a family member has knowingly permitted an ineligible individual to reside in the family's unit on a permanent basis, the family's assistance will be terminated. This provision does not apply to a family if the eligibility of the ineligible individual was considered in calculating any proration of assistance provided for the family.

Chapter 13

COMPLAINTS, GRIEVANCES, AND APPEALS

INTRODUCTION

The informal hearing requirements defined in HUD regulations are applicable to participating families who disagree with an action, decision, or inaction of the PHA. This Chapter describes the policies to be used when families disagree with a MHA decision. It is the policy of MHA to ensure that all families have the benefit of all protections due to them under the law.

Grievances shall be handled in accordance with MHA's approved Grievance Procedures. The written grievance procedure is incorporated into this document by reference and is the guideline to be used for grievances and appeals.

The Housing Authority of the City of Muskogee (MHA) shall provide Residents of Public Housing the opportunity to an effective and efficient settlement of a grievance against the Housing Authority, its agents and/or its employees, in accordance with the following policy and procedures. The MHA Grievance Policy as stated herein, sets forth the requirements, standards and criteria for Residents and MHA to utilize in the settlement of disputes. This policy shall be provided to all Residents upon execution of a Residential Lease Agreement and shall be incorporated as part thereof.

A. APPLICABILITY

The Housing Authority of the City of Muskogee shall respond to any dispute which a resident may have with respect to MHA's action or failure to act, provided that such action or failure to act, adversely affects the individual resident's rights, duties, welfare or status. This policy shall apply to all individual grievances with the exception of those which are based upon a Resident's creation or maintenance of a threat to the health or safety of other residents or landlord employees. This policy does not in anyway prohibit any individual resident from seeking other remedies, which may be available under federal, state and/or local laws.

B. DISPUTES

The Grievance Policy shall not be applicable to disputes between residents not involving MHA, or to class action disputes. Furthermore, the Grievance Policy is not a forum for initiating or negotiating policy changes between a group or groups of residents and MHA's Board of Commissioners. Therefore, individuals acting as Hearing Officers in accordance with the procedures outlined below, will have no authority to change any provision of the Residential Lease Agreement, the Grievance Policy or any other related operational policy of MHA.

C. DEFINITIONS

The following definitions shall apply to this policy and the corresponding procedures:

- **Grievance** – any dispute which a tenant may have with respect to MHA actions or failure to act in accordance with the Residential Lease Agreement or other MHA policies, rules and regulations which adversely affect the individual tenant’s rights, duties, welfare or status.
- **Complainant (Tenant)** – the head or co-head of a household whose grievance is presented to MHA in accordance with the procedures outlined in this policy.
- **Drug-Related Activities** - The illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. Section 802)
- **Hearing Officer** – a person selected in accordance with federal regulations and the procedures stated below, to hear grievances and render a decision with respect thereto. **Hearing Panel** – a panel selected in accordance with federal regulations and the procedures stated below, to hear grievances and render a decision with respect thereto.
- **Tenant** – the head or co-head as designated on the Residential Lease Agreement who resides in the dwelling unit or, if no such person now resides in the unit, an adult who resides in the unit and is the remaining member of a tenant household.

D. GRIEVANCE PROCEDURES

GENERAL

Residents are encouraged to bring to the attention of MHA personnel at the site where the Resident resides, any issues, which they feel adversely, affect their tenancy. MHA staff will make every effort to resolve any differences orally, prior to initiation of the Grievance Policy. If an issue is not resolved to the satisfaction of the Resident, the head or co-head of the household, may invoke the Grievance Policy through compliance with the following procedures. All forms included in this procedure will be produced in triplicate. One copy for the resident, one for the resident file and one for the site manager.

Procedures Prior to Hearing

Grievance Request Form

The grievance shall be personally presented, in writing, to MHA, at the office of the development in which the resident resides, within ten (10) days of the action or failure to act, which the resident is disputing. Oral grievances will be accepted in cases of special accommodations for disabled tenants or tenants with reading and writings hardships. A grievance request form shall be available at all development offices and utilized by residents to initiate the Grievance Procedures.

Upon presentation of the grievance request form, MHA site personnel shall date stamp said form and return stamped copy to resident. The Site Manager will forward the request to the Deputy Director of Housing Services. It will then be determined if the Grievance Policy applies to said request. If the request involves any of the exclusions identified above, the Deputy Director of Housing Services will notify the resident in writing within five (5) days from receipt of the request for a grievance that the grievance is not subject to MHA's Grievance Policy.

Informal Settlement of Grievances

If the request is subject to MHA's Grievance Policy, the Deputy Director of Housing Services shall notify the resident in writing using the grievance request form and arrange an informal interview with the resident, within ten (10) days from the date of receipt of the request, to discuss the grievance and attempt to settle it without a formal hearing. At the informal interview, the Deputy Director of Housing Services shall make every attempt to settle the dispute to the satisfaction of both parties.

Informal Interview Summary

- A summary of such discussion shall be prepared within five (5) days from the date of the informal interview. This summary shall contain the following information:
- Names of the participants in the interview;
- Date of the meeting;
- The proposed disposition of the grievance;
- The justification for the disposition action;
- The right of the Resident to request a formal hearing if they are not satisfied with the outcome of the informal meeting.
- A copy of the summary shall be given to the resident, and one retained in the file at the development where the tenant resides.

Procedures to Obtain a Grievance Hearing

Request for a Hearing

Upon receipt of the summary of the informal meeting discussed above, the tenant may request a hearing if they were not satisfied with the decision of the Deputy Director of Housing Services. Such request must be submitted in writing to the development management office within ten (10) days after receipt of the written summary or within thirty (30) days after the filing of a grievance. The written request shall specify (1) the reasons for the grievance and (2) the action or relief sought.

Ineligible Immigration Status

If the resident family has been determined ineligible due to immigration status, the family may request that MHA provide for an informal hearing after the family has notification of an INS (Immigration and Naturalization Services) decision on appeal, or in lieu of request of appeal to the INS. The resident family must make this request within 30 days of receipt of the Notice of Denial or Termination of Assistance or within 30 days of receipt of the INS appeal decision.

Selection of Hearing Officer

A hearing officer shall be appointed by MHA in accordance with the following guidelines:

- The hearing officer shall be the Deputy Executive Director, Director of Capital Funds, or a third party designee that is neither a resident nor MHA staff member and all of whom are not directly involved in the disputed decision or action.

In addition to the foregoing, any Complainant may request the removal of the hearing officer assigned to hear the Complainant's grievance, upon demonstrating that the hearing officer is not impartial or will not afford the resident a fair hearing. The Complainant may request MHA's Executive Director to order a new hearing if the request for removal is improperly denied by MHA.

Failure to Request a Hearing

If the Complainant does not request a hearing in accordance with the procedures presented in this policy, MHA's disposition of the grievance shall become final. The failure to request a hearing shall not constitute a waiver by the Complainant of his right thereafter to contest MHA's action in disposing of the complaint in an appropriate judicial proceeding.

Hearing Prerequisite

All grievances shall be personally presented either orally or in writing at an informal interview with the Deputy Director of Housing Services prior to the request for a formal grievance hearing. If the Complainant shall show good cause to the hearing officer, why he failed to comply with the informal interview procedures, the provisions of this subsection may be waived by the hearing officer.

Escrow Deposit

Before a hearing is scheduled in any grievance involving the amount of rent as defined in the lease which MHA claims is due, the tenant shall pay to MHA an amount equal to the amount of the rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. The resident shall thereafter deposit monthly the same amount of the monthly rent in an escrow account held by MHA until the complaint is resolved by a decision of the Hearing Officer. Amounts deposited into the escrow account shall not be considered as acceptance of money for rent during the period in which the grievance is pending. In extenuating circumstances, MHA may waive these requirements. Unless so waived, the failure to make such payment shall constitute termination of the grievance procedures. However, failure to make payment shall not constitute a waiver of any right the resident may have to contest MHA's disposition of his grievance in any appropriate judicial proceeding.

MHA will waive the requirement for an escrow deposit, where required under financial hardship exemption from minimum rent and effects of welfare benefits reduction in calculation of family rent (imputed income).

Scheduling Of Hearings

If the informal interview with the Deputy Director of Housing Services does not satisfactorily resolve the issue for the resident, the resident may submit a written request for a grievance hearing. The following procedures will be followed:

- The Deputy Director of Housing Services, or designee, will schedule the grievance hearing for a time and place that is reasonably convenient to both the Complainant and MHA. The Complainant is responsible for notifying MHA if a Complainant representative will be present at the hearing.
- A written notification specifying the time, place and procedures governing the hearing shall be delivered to the Complainant and the Complainant's representative and the appropriate MHA official. The notice will document the date the complainant was notified of the hearing date.
- The Deputy Director of Housing Services will provide a hearing packet, containing all documents MHA and the family intend to present at the hearing, to the family, the MHA representative, and the hearing officer at least three (3) work days before the date of the hearing.
- The hearing shall take place not later than ninety (90) days after presentation of the written request for hearing. If the hearing is not conducted within such ninety (90) day period, or by such later date as may be requested by the Complainant in writing, then the grievance shall be resolved in accordance with the position stated by the Complainant in the written request for hearing.
- Any grievance resolved in the Complainant's favor as a result of MHA's failure to schedule a hearing in accordance with this paragraph shall be final and binding upon MHA, and no appeal will be permitted there from.

Procedures Governing A Fair Hearing

The Complainant shall be afforded a fair hearing, which shall include:

- A hearing held before a hearing officer.
- The opportunity to examine before the grievance hearing any MHA documents, including records and regulations that are directly relevant to the hearing. The Complainant shall be allowed to copy any such document at Complainant's expense. If MHA does not make the document available for examination upon request by the Complainant, MHA may not rely on such document at the grievance hearing.
- The right to be represented by counsel or other person chosen as the Complainant's representative, and to have such person make statements on the Complainant's behalf.
- The right to a private hearing unless the Complainant requests a public hearing.

- The right to present evidence and arguments in support of Complainant's complaint, to controvert evidence relied upon by MHA or project management, and to confront and cross-examine all witnesses upon whose testimony or information MHA or project management relies; and
- A decision based solely and exclusively upon the facts presented at the hearing.

The hearing officer may render a decision without proceeding with the hearing if the hearing officer determines that the issue has been previously decided in another proceeding.

Failure to Appear at Scheduled Hearing

If the Complainant or MHA fails to appear on the first scheduled hearing, the hearing officer will allow one additional scheduled hearing. A request for a second scheduled hearing must be received in writing within five (5) business days of the initial hearing date. If the Complainant or MHA fails to appear on the second scheduled hearing, the party failing to appear waives their rights in the hearing. Both the Complainant and MHA shall be notified of the determination by the hearing officer. A determination that the Complainant has waived his right to a hearing shall not constitute a waiver of any right the Complainant may have to contest MHA's disposition of the grievance in an appropriate judicial proceeding.

Complainant Presentation

At the hearing, the Complainant must first make a showing of an entitlement to the relief sought and thereafter MHA must sustain the burden of justifying MHA's action or failure to act against which the complaint is directed.

The hearing shall be conducted informally by the hearing officer and oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings.

Conduct of Participants

Because the grievance procedure is not a judicial proceeding, it shall not be necessary for any of the witnesses to be sworn in. However, to ensure the integrity of the proceedings, all witnesses shall be cautioned that they are expected to tell the truth, the whole truth, and nothing but the truth.

The hearing officer shall require MHA, the Complainant, counsel and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the hearing officer to obtain order may result in exclusion from the proceedings or in a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate, in the sole and absolute discretion of the hearing officer.

Transcripts of Hearing

The Complainant or MHA may arrange, in advance at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript.

Reasonable Accommodation

If the Complainant has given MHA advance notice of the Complainant's need for accommodation as a person having disabilities, MHA shall provide reasonable accommodation for such person so as to permit that person to participate in the hearing. Reasonable accommodation shall include, but shall not be limited to, qualified sign language interpreters, readers, accessible locations, or attendants.

If the Complainant is visually impaired, and has given advance notice to MHA of such impairment, any notice to Complainant, which is required under this grievance procedure, shall be in an accessible format.

Stages of the Hearing Process

The following identifies the key components of the hearing process:

- **Opening Statements:** Both the Complainant or the Complainant's representative, and MHA shall be afforded a maximum of five (5) minutes for opening statements.
- **Complainant Presentation of Evidence and Witnesses:** At the onset of the hearing, it will be the Complainant's responsibility to make a showing of an entitlement to the relief sought. During this time, all evidence shall be presented, and witnesses called.
- **Cross Examination and Redirection of Testimony:** Upon completion of the testimony, MHA shall have an opportunity to cross-examine the witnesses of the Complainant. Upon completing the cross-examination, the Complainant shall be afforded an opportunity to present redirect testimony. Upon completion of the redirect testimony, the hearing officer shall be afforded an opportunity to ask questions to clarify information.
- **MHA Presentation of Evidence and Witnesses:** Once the testimony of the Complainant is completed, it will then become the responsibility of MHA to sustain the burden of proof in justifying the action against which the complaint is directed. During this time, all evidence shall be presented and witnesses called.
- **Complainant Cross Examination and Redirection of Testimony:** Upon completion of the testimony, the Complainant shall have an opportunity to cross-examine the witnesses of MHA. Upon completing the cross-examination, MHA shall be afforded an opportunity to redirect testimony. Upon completion of the redirect testimony, the hearing officer shall be afforded an opportunity to ask questions to clarify information.
- **Rebuttal Witnesses:** Once the testimony of MHA is completed, the Complainant may call rebuttal witnesses who shall testify as described in the procedures stated above.

- **Complaints Involving Eviction or Other Adverse Action:** Where the complaint concerns MHA’s notice of termination of tenancy or other adverse action, MHA shall present its evidence first. The hearing shall proceed generally as described above, and MHA shall have the right to call rebuttal witnesses.

- **Closing Argument:** After all evidence and witnesses have been presented, each side shall be afforded a maximum of ten (10) minutes for closing arguments. Closing argument shall be presented first by the party presenting its evidence first. There shall be no rebuttal argument allowed.

Decision of the Hearing Officer

Notification Requirements

The hearing officer shall prepare a written decision, together with the reasons therefore, within ten (10) days after the hearing unless such time is extended by agreement of the Complainant and MHA. A copy of the decision shall be sent to the Complainant and MHA. MHA shall retain a copy of the decision in the Complainant’s folder.

A copy of such decision, with all names and identifying references deleted, shall also be maintained on file by MHA and made available for inspection by a prospective Complainant, his representative, or a hearing officer.

Failure to Provide Timely Decision

In the event the hearing officer shall not prepare a written decision within ten (10) days as required by this paragraph, the Complainant may, at his election, be afforded a new hearing before a new hearing officer, or serve written notice upon MHA that a written decision has not been issued in accordance with the provisions of this paragraph.

Right to a New Hearing

If the Complainant elects to invoke his right to a new hearing, MHA shall schedule such hearing within ten (10) days. MHA’s failure to conduct a hearing within such ten (10) day period shall result in a disposition of the grievance in favor of the Complainant in accordance with the Complainant’s written request for hearing.

If Complainant elects to give written notice of the hearing officer’s failure to prepare a written decision, and such failure shall not be corrected within ten (10) days of the receipt by MHA of such written notice, then the Complainant’s grievance shall be resolved in favor of the Complainant as stated in the Complainant’s written request for a hearing.

Final Decision

The decision of the hearing officer is binding on MHA unless the MHA Board of Commissioners determines within a reasonable time, and promptly notifies the complainant of its determination, that:

- The grievance does not concern MHA action or failure to act in accordance with or involving the Complainant's lease or MHA regulations, which adversely affect the Complainant's rights, duties, welfare or status;
- The decision of the hearing officer is contrary to applicable federal, state or local law, HUD regulations or requirements of the Annual Contributions Contract between HUD and MHA.

A decision by the hearing officer in favor of MHA or which denies the relief requested by the Complainant in whole or in part shall not constitute a waiver of, nor affect in any manner, any rights the Complainant may have to a subsequent trial or judicial review in court.

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Chapter 14

FAMILY DEBTS TO THE HOUSING AUTHORITY OF THE CITY OF MUSKOGEE

INTRODUCTION

This Chapter describes MHA's policies for the recovery of monies that have been underpaid by families. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is MHA's policy to meet the informational needs of families, and to communicate the program rules in order to avoid family debts. Before a debt is assessed against a family, the file must contain documentation to support MHA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the family or other interested parties. MHA's Grievance policy applies.

When families owe money to the Housing Authority, MHA will make every effort to collect it. MHA will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments
- Civil suits
- Payment agreements
- Collection agencies
- Credit bureaus

A. PAYMENT AGREEMENT FOR FAMILIES

A Payment Agreement as used in this Plan is a document entered into between MHA and a tenant who owes a debt to MHA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to MHA upon default of the agreement. Repayment agreements are defined in detail in MHA's Rent Collection and Eviction policy.

Late Payments

A payment will be considered to be in arrears if:

The payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's payment agreement is in arrears, MHA will:

- Require the family to pay the balance in full;
- Pursue civil collection of the balance due.
- Terminate tenancy

If the family requests a transfer to another unit and has a payment agreement in place and the payment agreement is not in arrears:

- The family will be permitted to move.

There are some circumstances in which MHA will not enter into a payment agreement. They are:

- If the family already has a payment agreement in place;
- If MHA determines that the family has committed program fraud.

Guidelines for Payment Agreements

Payment agreements will be executed between MHA and the head of household.

A minimum of one-half (1/2) of the entire past due amount must be paid by the family to MHA at the time the payment agreement is signed.

Agreements must assure that full payment is made within a period not to exceed twelve (12) months. Only one (1) payment agreement per family per 12-month period is allowed.

Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the site manager.

No transfer will be approved until the debt is paid in full unless the transfer is the result of the following causes:

- Emergency transfers as defined in MHA's Transfer policy;
- A natural disaster.

Additional Monies Owed

If the family has a payment agreement in place and incurs an additional debt to MHA:

- MHA will not enter into more than one payment agreement at a time with the same family.

B. DEBTS DUE TO FRAUD/NON-REPORTING OF INFORMATION

HUD's definition of program fraud and abuse is a single act or pattern of actions that constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead.

Family Error/Late Reporting

Families who owe money to MHA due to the family's failure to report increases in income will be required to repay the full amount within thirty (30) days of MHA's discovery of income increase. Eviction proceedings must begin immediately for fraudulently failing to report income.

Program Fraud

Families who owe money to MHA due to program fraud will be required to repay the amount in full within 30 days..

If a family moves out as a result of program fraud, the case will be referred to the Inspector General of the U.S. Department of Housing & Urban Development for prosecution. Where appropriate, MHA will pursue the case with civil action.

C. WRITING OFF DEBTS

Debts will be written off if:

- The debtor's whereabouts are unknown and collection efforts have failed;
- The debtor is deceased.

Chapter 15

COMMUNITY SERVICE and SELF-SUFFICIENCY

General

In order to be eligible for continued occupancy, each adult family member must either (1) contribute eight hours per month of community service (not including political activities) within the community in which the public housing development is located, or (2) participate in an economic self-sufficiency program unless they are exempt from this requirement

Exemptions

The following adult family members of tenant families are exempt from this requirement.

- A. Family members who are 62 or older
- B. Family members who are blind or disabled
- C. Family members who are the primary care giver for someone who is blind or disabled
- D. Family members engaged in work activity
- E. Family members who are exempt from work activity under part A title IV of the Social Security Act or under any other State welfare program, including the welfare-to-work program
- F. Family members receiving assistance under a State program funded under part A title IV of the Social Security Act or under any other State welfare program, including welfare-to-work and who are in compliance with that program

Notification of the requirement

The Muskogee Housing Authority shall identify all adult family members who are apparently not exempt from the community service requirement.

The Muskogee Housing Authority shall notify all such family members of the community service requirement and of the categories of individuals who are exempt from the requirement. The notification will provide the opportunity for family members to claim and explain an exempt status. The Muskogee Housing Authority shall verify such claims.

The notification will advise families that their community service obligation will

begin upon the effective date of their first annual reexamination on or after 10/1/99.

For family's paying a flat rent, the obligation begins on the date their annual reexamination would have been effective had an annual reexamination taken place. It will also advise them that failure to comply with the community service requirement will result in ineligibility for continued occupancy at the time of any subsequent annual reexamination.

Volunteer Opportunities

Community service includes performing work or duties in the public benefit that serve to improve the quality of life and/or enhance resident self-sufficiency, and/or increase the self-responsibility of the resident within the community.

An economic self sufficiency program is one that is designed to encourage, assist, train or facilitate the economic independence of participants and their families or to provide work for participants. These programs may include programs for job training, work placement, basic skills training, education, English proficiency, work fare, financial or household management, apprenticeship, and any program necessary to ready a participant to work (such as substance abuse or mental health treatment).

The Muskogee Housing Authority will coordinate with social service agencies, local schools, and the Human Resources Office in identifying a list of volunteer community service positions.

Together with the resident advisory councils, the Muskogee Housing Authority may create volunteer positions such as hall monitoring, litter patrols, and supervising and record keeping for volunteers.

The Process

At the first annual reexamination on or after October 1, 1999, and each annual reexamination thereafter, the Muskogee Housing Authority will do the following:

- A. Provide a list of volunteer opportunities to the family members.
- B. Provide information about obtaining suitable volunteer positions.
- C. Provide a volunteer time sheet to the family member. Instructions for the time sheet require the individual to complete the form and have a supervisor date and sign for each period of work.
- D. Assign family members to a volunteer coordinator who will assist the family members in identifying appropriate volunteer positions and in meeting their responsibilities. The volunteer coordinator will track the family member's progress monthly and will meet with the family member

as needed to best encourage compliance.

- E. Thirty (30) days before the family's next lease anniversary date, the volunteer coordinator will advise the Muskogee Housing Authority whether each applicable adult family member is in compliance with the community service requirement.

Notification of Non-compliance with Community Service Requirement

The Muskogee Housing Authority will notify any family found to be in noncompliance of the following:

- A. The family member(s) has been determined to be in noncompliance;
- B. That the determination is subject to the grievance procedure; and
- C. That, unless the family member(s) enter into an agreement to comply, the lease will not be renewed or will be terminated;

Opportunity for cure

The Muskogee Housing Authority will offer the family member(s) the opportunity to enter into an agreement prior to the anniversary of the lease. The agreement shall state that the family member(s) agrees to enter into an economic self-sufficiency program or agrees to contribute to community service for as many hours as needed to comply with the requirement over the past 12-month period. The cure shall occur over the 12-month period beginning with the date of the agreement and the resident shall at the same time stay current with that year's community service requirement. The first hours a resident earns goes toward the current commitment until the current year's commitment is made.

The volunteer coordinator will assist the family member in identifying volunteer opportunities and will track compliance on a monthly basis.

If any applicable family member does not accept the terms of the agreement, does not fulfill their obligation to participate in an economic self-sufficiency program, or falls behind in their obligation under the agreement to perform community service by more than three (3) hours after three (3) months, the Muskogee Housing Authority shall take action to terminate the lease.

GLOSSARY

TERMS USED IN DETERMINING RENT

ANNUAL INCOME (24 CFR 5.609)

Annual income is the anticipated total income from all sources. This includes net income derived from assets, received by the family head and spouse (even if temporarily absent) and by each additional family member for the 12 month period following the effective date of initial determination or reexamination of income. It does not include income that is temporary, non-recurring, or sporadic as defined in this section, or income that is specifically excluded by other federal statute. Annual income includes:

- The full amount before any payroll deductions, of wages and salaries, overtime pay, commissions' fees, tips and bonuses, and other compensation for personal services.
- The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business.
- Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for the straight line depreciation of real or personal property is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the property.
- When the family has net family assets in excess of \$5,000, Annual Income shall include the greater of the actual income derived from all net family assets, or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD.
- The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.
 - *NOTE: Treatment of lump sum payments for delayed or deferred periodic payment of social security or SSI benefits is dealt with later in this section.*
- Payments in lieu of earnings, such as unemployment and disability compensation, workers' compensation, and severance pay.
- All welfare assistance payments received by or on behalf of any family member. (24 CFR913.106(b)(6) contains rules applicable to "as-paid" States).

- Periodic and determinable allowances, such as alimony and child care support payments, and regular cash contributions or gifts received from persons not residing in the dwelling.
- All regular pay, special pay and allowances of a member of the Armed Forces (except special pay to a family member serving the Armed Forces who is exposed to hostile fire).

EXCLUSIONS FROM ANNUAL INCOME (24 CFR 5.609)

Annual income does not include the following:

- Income from the employment of children (including foster children) under the age of 18 years;
- Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the resident family, who are unable to live alone);
- Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health, and accident insurance and workers' compensation) capital gains, and settlement for personal property losses;
- Amounts received by the family that are specifically for, or in reimbursement of the cost of medical expenses for any family member.
- Income of a live-in aide, provided the person meets the definition of a live-in aide.
- The full amount of student financial assistance paid directly to the student or the educational institution.
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
- Amounts received under HUD funded training programs (e.g. Step-up program); excludes stipends, wages, transportation payments and child care vouchers for the duration of the training.
- Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self Sufficiency (PASS).
- Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out of pocket expenses incurred for items such as special equipment, clothing, transportation and childcare, to allow participation in a specific program.
- Amount received as a Resident services stipend. A modest amount (not to exceed \$200 per month) received by a public housing resident for performing a service for the PHA,

on a part-time basis, that enhances the quality of life in public housing. Such services may include but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as the resident member of the PHA governing Board. No resident may receive more than one such stipend during the same period of time.

- Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of family members as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.
- Temporary, non-recurring, or sporadic income (including gifts).
- Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. (For all initial determinations and reexaminations of income on or after April 23, 1993.)
- Earnings in excess of \$480 for each full-time student 18 years old or older, (excluding the head of household and spouse).
- Adoption assistance payments in excess of \$480 per adopted child.
- The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988 (42 U.S.C. 1437 et seq.), or any comparable Federal, State or local law during the exclusion period. For purposes of this paragraph the following definitions apply:
 - Comparable Federal, State or local law means a program providing employment training and supportive services that: (1) is authorized by a Federal, State or local law; (2) is funded by the Federal, State or local government; (3) is operated or administered by a public agency; and (4) has as its objective to assist participants in acquiring job skills.
 - Exclusion period means the period during which the resident participates in a program as described in this section plus 18 months from the date the resident begins the first job acquired by the resident after completion of such program that is not funded by public housing assistance under the U.S. Housing Act of 1937. If the resident is terminated from employment without good cause, the exclusion period shall end.
 - Earnings and benefits means the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job.

- Deferred periodic payments from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.
- Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
- Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.
- Amounts specifically excluded by any other Federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937.(A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion.
- The following benefits are excluded by other Federal Statute as of August 3, 1933:
 - The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977;
 - Payments to volunteers under the Domestic Volunteer Service Act of 1973; examples of programs under this Act include but are not limited to:
 - The Retired Senior Volunteer Program (RSVP)
 - Foster Grandparent Program (FGP)
 - Senior Companion Program (SCP)
 - Older American Committee Service Program
 - National Volunteer Antipoverty Programs such as:
 - VISTA
 - Peace Corps
 - Service Learning Program
 - Special Volunteer Programs
 - Small Business Administration Programs such as:
 - National Volunteer Program to Assist Small Businesses
 - Service Corps of Retired Executives

- Payments received under the Alaska Native Claims Settlement Act. [43 USC 1626 (a)]
- Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes. [25 USC 459e]
- Payments or allowances made under the Department of HHS' Low Income Home Energy Assistance Program. [42 USC 8624 (f)]
- Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 USC 1552 (b))
- Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540).
- The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims (25 USC. 1407-08), or from funds held in trust for an Indian Tribe by the Secretary of Interior.
- Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs. [20 USC 1087 uu] Examples: Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College-Work Study, and Byrd Scholarships.
- Payments received under programs funded under Title V of the Older Americans Act of 1965 [42 USC 3056 (f)] Examples include Senior Community Services Employment Program, National Caucus Center on the Black Aged, National Urban League; Association National Pro Personas Mayores, National Council on Aging, American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb.
- Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established in the In-Re Orange Product Liability litigation.
- The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs of incurred in such care) under the Child Care and Development Block Grant Act of 1990. (42 USC 9858q)
- Earned income tax credit refund payments received on or after January 1, 1991. (26 USC 32)(j).
- Living allowances under AmeriCorps Program (Nelson Diaz Memo to George Latimer 11/15/94)

ADJUSTED INCOME

Annual income, less allowable HUD deductions.

Note: Under the Continuing Resolution, PHAs are permitted to adopt other adjustments to earned income for residents of Public Housing, but must absorb any resulting loss in rental income.

All Families are eligible for the following:

- Child Care Expenses: A deduction of amounts anticipated to be paid by the family for the care of children under 13 years of age for the period for which the Annual Income is computed. Child care expenses are only allowable when such care is necessary to enable a family member to be gainfully employed or to further his/her education. Amounts deducted must be unreimbursed expenses and shall not exceed: (1) The amount of income earned by the family member released to work, or (2) an amount determined to be reasonable by the PHA when the expense is incurred to permit education.
- Dependent Deduction. An exemption of \$480 for each member of the family residing in the household (other than the head or spouse, live-in aide, foster child) who is under eighteen years of age or who is eighteen years of age or older and disabled, handicapped, or a full-time student.
- Handicapped Expenses. A deduction of unreimbursed amounts paid for attendant care or auxiliary apparatus expenses for handicapped family members where such expenses are necessary to permit a family member(s), including the handicapped/disabled member to be employed. In no event may the amount of the deduction exceed the employment income earned by the family member(s) freed to work.
- Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for visually handicapped, and equipment added to cars and vans to permit use by the handicapped or disabled family member.
 - For non-elderly families and elderly families without medical expense: The amount of the deduction equals the cost of all unreimbursed expenses for handicapped care and equipment less three percent of Annual Income, provided the amount so calculated does not exceed the employment income earned.
 - For elderly families with medical expenses: The amount of the deduction equals the cost of all unreimbursed expenses for handicapped care and equipment less three percent of Annual Income, (provided the amount does not exceed earnings) plus medical expenses as defined below.
 - For Elderly and Disabled Families Only:
- Medical Expenses: A deduction of unreimbursed medical expenses, including insurance premiums anticipated for the period for which Annual Income is computed.

Medical expenses include, but are not limited to: services of physicians and other health care professionals, services of health care facilities; insurance premiums, including the cost of Medicare), prescription and non- prescription medicines, transportation to and from treatment, dental expenses, eyeglasses, hearing aids and batteries, attendant care (unrelated to employment of family members), and payments on accumulated medical bills. To be considered by the PHA for the purpose of determining a deduction from the income, the expenses claimed must be verifiable.

- For elderly families without handicapped expenses: The amount of the deduction shall equal total medical expenses less 3% of annual income.
- For elderly families with both handicapped and medical expenses: The amount of handicapped assistance is calculated first, then medical expenses are added.
- Elderly/Disabled Household Exemption: An exemption of \$400 per household.

GLOSSARY OF HOUSING TERMS

ACCESSIBLE DWELLING UNITS. When used with respect to the design, construction or alteration of an individual dwelling unit, means that the unit is located on an accessible route, and when designed, constructed, or altered, can be approached, entered, and used by individuals with physical handicaps. A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR 8.32 & 40, (the Uniform Federal Accessibility Standards) is "accessible" within the meaning of this paragraph.

ACCESSIBLE FACILITY. All or any portion of a facility other than an individual dwelling unit used by individuals with physical handicaps.

ACCESSIBLE ROUTE. For persons with a mobility impairment, a continuous, unobstructed path that complies with space and reach requirements of the Uniform Federal Accessibility Standards (UFAC). For persons with hearing or vision impairments, the route need not comply with requirements specific to mobility.

ADAPTABILITY. Ability to change certain elements in a dwelling unit to accommodate the needs of handicapped and non-handicapped persons; or ability to meet the needs of persons with different types and degrees of disability.

ADMISSION. Admission to the program is the effective date of the lease. The point at which a family becomes a resident.

ALLOCATION PLAN. The plan submitted by the PHA and approved by HUD under which the PHA is permitted to designate a building, or portion of a building, for occupancy by Elderly Families or Disabled Families.

ANNUAL INCOME AFTER ALLOWANCES. The Annual Income (described above) less the HUD-approved allowances.

APPLICANT (or applicant family). A family that has applied for admission to a program, but is not yet a participant in the program.

"AS-PAID" STATES. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

ASSETS. (See Net Family Assets.)

AUXILIARY AIDS. Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in and enjoy the benefits of programs and activities.

CEILING RENT. An amount that reflects the reasonable market value of the housing unit, but not less than the sum of the monthly per-unit operating costs and a deposit to a replacement reserve. The family pays the lower of the ceiling rent or the formula tenant rent.

CO-HEAD. An individual in the household who is equally responsible for the lease with the Head of Household. A family may have a Co-head or Spouse, but not both. A co-head never qualifies as a dependent.

COVERED FAMILIES. The statutory term "covered families" designates the universe of families who are required to participate in a welfare agency economic self-sufficiency program and may, therefore, be the subject of a welfare benefit sanction for noncompliance

with this obligation. "Covered families" means families who receive welfare assistance or other public assistance benefits from a State or other public agency under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

DEPENDENT. A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a full-time student 18 years of age or older.

DESIGNATED FAMILY. The category of family for whom the PHA elects to designate a project (e.g. elderly family in a project designated for elderly families) in accordance with the 1992 housing Act. (24 CFR 945.105)

DISABILITY ASSISTANCE EXPENSE. Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and or auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

DISABLED FAMILY. A family whose head, spouse, or sole member is a person with disabilities. A disabled family may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides

DISABLED PERSON. See **Person with Disabilities.**

DISABLED FAMILY. A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together or one or more persons with disabilities living with one or more live-in aides.

DISALLOWANCE. Exclusion from annual income.

DISPLACED FAMILY. A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal Disaster relief laws.

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

DRUG-RELATED CRIMINAL ACTIVITY. Term means:

- Drug-trafficking; or
- Illegal use, or possession for personal use of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

DRUG TRAFFICKING. The illegal manufacture, sale, distribution or the possession with intent to manufacture, sell, or distribute a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

ECONOMIC SELF-SUFFICIENCY PROGRAM. Any program designed to encourage, assist, train, or facilitate the economic independence of assisted families or to provide work for such families. Economic self-sufficiency programs can include job

training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, any other program necessary to ready a participant to work (such as: substance abuse or mental health treatment. Economic self-sufficiency program includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). See the definition of work activities at Sec. 5.603(c). The new definition of the term "economic self-sufficiency program" is used in the following regulatory provisions, pursuant to the Public Housing Reform Act: family income includes welfare benefits reduced because of family failure to comply with welfare agency requirements to participate in an economic self-sufficiency program; and the requirement for public housing residents to participate in an economic self-sufficiency program or other eligible activities.

ELDERLY FAMILY. A family whose head or spouse or whose sole member is at least 62 years, or two or more persons who are at least 62 years of age or a disabled person. It may include two or more elderly, disabled persons living together or one or more such persons living with one or more live-in aides.

ELDERLY PERSON. A person who is at least 62 years old.

ELIGIBLE FAMILY (Family). A family is defined by the PHA in the Admission and Continued Occupancy Plan.

EXCEPTIONAL MEDICAL OR OTHER EXPENSES. Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889, which exceeded 25% of the Annual Income. It is no longer used.

EXCESS MEDICAL EXPENSES. Any medical expenses incurred by elderly families only in excess of 3% of Annual Income which are not reimbursable from any other source.

EXTREMELY LOW-INCOME FAMILY. A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

FAMILY. The applicant must qualify as a family as defined by the PHA.

FAMILY OF VETERAN OR SERVICEPERSON. A family is a "family of veteran or serviceperson" when:

- The veteran or serviceperson (a) is either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death.
- The veteran or serviceperson, unless deceased, is living with the family or is only temporarily absent unless s/he was (a) formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support s/he is legally responsible and the spouse has not remarried; or (b) not the head of the household but is permanently hospitalized; provided, that s/he was a family member at the time of hospitalization and there remain in the family at least two related persons.

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM). The program

established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

FLAT RENT. Rent for a public housing dwelling unit that is based on the market rent. The market rent is the rent charged for comparable units in the private, unassisted rental market at which the PHA could lease the public housing unit after preparation for occupancy.

FOSTER CHILD CARE PAYMENT. Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

FULL-TIME STUDENT. A person who is attending school or vocational training on a full-time basis.

HANDICAPPED ASSISTANCE EXPENSES. Anticipated costs for care attendants and auxiliary apparatus for handicapped or disabled family members, which enable a family member (including the handicapped family member) to work.

HANDICAPPED PERSON. [Referred to as a Person with a Disability]. A person having a physical or mental impairment, which is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such a nature that such ability could be improved by more suitable housing conditions.

HEAD OF HOUSEHOLD. The person who assumes legal and financial responsibility for the household and is listed on the application as head.

HOUSING AGENCY. A state, country, municipality or other governmental entity or public body authorized to administer the program. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "IHA" mean the same thing.)

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974. The Act in which the U.S. Housing Act of 1937 was recodified, and which added the Section 8 Programs.

HOUSING ASSISTANCE PLAN. A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD. A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

HOUSING QUALITY STANDARDS (HQS). The HUD minimum quality standards for housing assisted under the Public Housing and Section 8 programs.

HUD. The Department of Housing and Urban Development or its designee.

HUD REQUIREMENTS. HUD requirements for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations. Federal Register notices or other binding program directives.

HURRA. The Housing and Urban/Rural Recovery Act of 1983 legislation that resulted in most of the 1984 HUD Regulation changes to the definition of income, allowances, and

rent calculations.

IMPUTED ASSET. Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

IMPUTED INCOME. HUD passbook rate times the total cash value of assets, when assets exceed \$5,000.

IMPUTED WELFARE INCOME. The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income. This amount is included in family annual income and, therefore, reflected in the family rental contribution based on this income.

INCOME. Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

INCOME-BASED RENT. The tenant rent paid to the PHA that is based on family income and the PHA rental policies. The PHA uses a percentage of family income or some other reasonable system to set income-based rents. The PHA has broad flexibility in deciding how to set income-based rent for its tenants. However, the income-based tenant rent plus the PHA's allowance for tenant paid utilities may not exceed the "total tenant payment" as determined by a statutory formula.

INCOME FOR ELIGIBILITY. Annual Income.

INCOME TARGETING. The HUD admissions requirement that PHAs not admit less than the number required by law of families whose income does not exceed 30% of the area median income in a fiscal year.

INDIAN. Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any State.

INDIAN HOUSING AUTHORITY (IHA). A housing agency established either by exercise of the power of self-government of an Indian Tribe, independent of State law, or by operation of State law providing specifically for housing authorities for Indians.

INTEREST REDUCTION SUBSIDIES. The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

INVOLUNTARILY DISPLACED PERSON. Involuntarily Displaced Applicants are applicants who meet the HUD definition for the local preference, formerly known as a federal preference.

LANDLORD. Either the legal owner of the property, or the owner's representative or managing agent as designated by the owner.

LEASE. A written agreement between an owner and an eligible family for the leasing of a housing unit.

LIVE-IN AIDE. A person who resides with an elderly person or disabled person and who:

- Is determined to be essential to the care and well-being of the person.
- Is not obligated for the support of the person.

- Would not be living in the unit except to provide necessary supportive services.

LOCAL PREFERENCE. A preference used by the PHA to select among applicant families without regard to their date and time of application.

LOW-INCOME FAMILY. This definition replaces a previous statutory reference. Generally, "low-income" designates a family whose income does not exceed 80 percent of area median income, with certain adjustments.

MARKET RENT. The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

MEDICAL EXPENSES. Those total medical expenses anticipated during the period for which Annual Income is computed, and which are not covered by insurance. (Only Elderly Families qualify) The allowances are applied when medical expenses exceed 3% of Annual Income.

MINIMUM RENT. An amount established by the PHA between zero and \$50.00.

MINOR. A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

MONTHLY ADJUSTED INCOME. 1/12 of the Annual Income after Allowances.

MONTHLY INCOME. 1/12 of the Annual Income before allowances.

NEAR-ELDERLY FAMILY. A family whose head, spouse, or sole member is at least 50, but less than 62 years of age. The term includes two or more near-elderly persons living together and one or more such persons living with one or more live-in aides.

NET FAMILY ASSETS. The net cash value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition.

OCCUPANCY STANDARDS. [Now referred to as Subsidy Standards] Standards established by a PHA to determine the appropriate number of bedrooms for families of different sizes and compositions.

PARTICIPANT. A family that has been admitted to the PHA program, and is currently assisted in the program.

PERSON WITH DISABILITIES

1. A person who has a disability, as defined in 42 U. S. C. 423, and is determined, under HUD regulations, to have a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.

2. A person who has a developmental disability as defined in 42 U.S.C. 6001.
3. An "individual with handicaps", as defined in 24 CFR 8.3, for purposes of reasonable accommodation and program accessibility for persons with disabilities
4. Does not exclude persons who have AIDS or conditions arising from AIDS
5. Does not include a person whose disability is based solely on any drug or alcohol dependence (for low income housing eligibility purposes)

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

PREVIOUSLY UNEMPLOYED. Includes a person who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

PUBLIC ASSISTANCE. Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

PUBLIC HOUSING AGENCY (PHA). A state, county, municipality, or other governmental entity or public body authorized to administer the programs. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "PHA" mean the same thing.)

QUALIFIED FAMILY. A family residing in public housing whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment; or increased earnings by a family member during participation in any economic self-sufficiency or on the job training program; or new employment or increased earnings of a family member, during or within 6 months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local TANF agency and Welfare to Work programs. TANF includes income and benefits & services such as one time payments, wage subsidies & transportation assistance, as long as the total amount over a 6-month period is at least \$500.

QUALITY HOUSING AND WORK RESPONSIBILITY ACT OF 1998. The Act, which amended the U.S. Housing Act of 1937 and is known as the Public Housing Reform Bill. The Act is directed at revitalizing and improving HUD's Public Housing and Section 8 assistance programs.

RECERTIFICATION. Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if no interim changes are reported by the family.

REMAINING MEMBER OF TENANT FAMILY. Person left in assisted housing after other family members have left and become unassisted.

RESIDENCY PREFERENCE. A local preference for admission of persons who reside in a specified geographic area.

RESPONSIBLE ENTITY. For the public housing, Section 8 tenant-based assistance,

project-based certificate assistance and moderate rehabilitation program, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

SECRETARY. The Secretary of Housing and Urban Development.

SECURITY DEPOSIT. A dollar amount which can be collected from the family by the owner upon termination of the lease and applied to unpaid rent, damages or other amounts owed to the owner under the lease according to State or local law.

SERVICEPERSON. A person in the active military or naval service (including the active reserve) of the United States.

SINGLE PERSON. A person living alone or intending to live alone who is not disabled, elderly, or displaced, or the remaining member of a tenant family.

SPECIFIED WELFARE BENEFIT REDUCTION. Those reductions of welfare agency benefits (for a covered family) that may not result in a reduction of the family rental contribution. "Specified welfare benefit reduction" means a reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

SPOUSE. The marriage partner of the head of the household.

SUBSIDIZED PROJECT. A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association), which receives the benefit of subsidy in the form of:

- Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or
- Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or Direct loans pursuant to Section 202 of the Housing Act of 1959; or
- Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;
- Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency;
- A Public Housing Project.

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

TENANT. (Synonymous with resident) The person or persons who executes the lease as lessee of the dwelling unit.

TENANT RENT. The amount payable monthly by the family as rent to the PHA.

TOTAL TENANT PAYMENT (TTP). The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

UNIT/HOUSING UNIT. Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero bedrooms to six bedrooms.

UTILITIES. Utilities means water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

UTILITY ALLOWANCE. The PHA's estimate of the average monthly utility bills for an energy-conscious household. If all utilities are included in the rent, there is no utility allowance. The utility allowance will vary by unit size and type of utilities.

UTILITY REIMBURSEMENT PAYMENT. The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.

VERY LARGE LOWER-INCOME FAMILY. Prior to the change in the 1982 regulations this meant a lower-income family, which included eight or more minors. (Term no longer used)

VERY LOW INCOME FAMILY. A Low-Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

VETERAN. A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released there from under conditions other than dishonorable.

VIOLENT CRIMINAL ACTIVITY. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

WAITING LIST. A list of families organized according to HUD regulations and PHA policy who are waiting for subsidy to become available.

WELFARE ASSISTANCE. Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state, or local governments. **"Welfare assistance" means income assistance from Federal or State welfare programs, and includes only cash maintenance payments designed to meet a family's ongoing basic needs.** The definition borrows from the Department of Health and Human Services' TANF definition of "assistance" and excludes nonrecurring short-term benefits designed to address individual crisis situations. **For FSS purposes, the following do not constitute welfare assistance: food stamps; emergency rental and utilities assistance; and SSI, SSDI, and Social Security.**

GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE

CHILD. A member of the family other than the family head or spouse who is under 18 years of age.

CITIZEN. A citizen or national of the United States.

EVIDENCE. Evidence of citizenship or eligible immigration status means the documents which must be submitted to evidence citizenship or eligible immigration status.

PHA. A housing authority- either a public housing agency or an Indian housing authority or both.

HEAD OF HOUSEHOLD. The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

HUD. Department of Housing and Urban Development.

INS. The U.S. Immigration and Naturalization Service.

MIXED FAMILY. A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

NATIONAL. A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

NONCITIZEN. A person who is neither a citizen nor nation of the United States.

PHA. A housing authority who operates Public Housing.

RESPONSIBLE ENTITY. The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the PHA).

SECTION 214. Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214.

SPOUSE. Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.

PI Addendum-1

PROGRAM INTEGRITY ADDENDUM

INTRODUCTION

The US Department of HUD conservatively estimates that 200 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental subsidy than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible, or are receiving benefits that exceed their legal entitlement. MHA is committed to assure that the proper level of benefits is paid to all tenants, and that housing resources reach only income-eligible families so that program integrity can be maintained.

MHA will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This Chapter outlines MHA 's policies for the prevention, detection and investigation of program abuse and tenant fraud.

PI Addendum-2

A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

Under no circumstances will MHA undertake an inquiry or an audit of a tenant family arbitrarily. MHA 's expectation is that tenant families will comply with HUD requirements, provisions of the Lease, and other program rules. MHA staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, MHA has a responsibility to HUD, to the Community, and to eligible families in need of housing assistance, to monitor tenants' Lease obligations for compliance and, when indicators of possible abuse come to MHA s attention, to investigate such claims.

MHA will initiate an investigation of a tenant family only in the event of one or more of the following circumstances:

Referrals, Complaints, or Tips. MHA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a tenant family is in non-compliance with, or otherwise violating the Lease or the program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the tenant file.

Internal File Review. A follow-up will be made if MHA staff discovers (as a function of a [re]certification, an interim redetermination, or a quality control review), information or facts which conflict with previous file data, MHA 's knowledge of the family, or is discrepant with statements made by the family.

Verification or Documentation. A follow-up will be made if MHA receives independent verification or documentation, which conflicts with representations in the tenant file (such as public record information or credit bureau reports, reports from other agencies).

PI Addendum-3

B. STEPS THE HOUSING AUTHORITY WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

The management and occupancy staff will utilize various methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and tenant families. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by tenant families.

Things You Should Know. This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify MHA 's expectations for cooperation and compliance.

Program Orientation Session. Mandatory orientation sessions will be conducted by the Site Manager for all prospective tenants either prior to or upon execution of the Lease. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Program Briefing Certificate" to confirm that all rules and pertinent regulations were explained to them.

Resident Counseling. MHA will routinely provide tenant counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements.

Review and explanation of Forms. Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

Use of Instructive Signs and Warnings. Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

Tenant Certification. All family representatives will be required to sign a "Tenant Certification" form, as contained in HUD's Tenant Integrity Program Manual.

PI Addendum-4

C. STEPS MHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD

MHA Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

Quality Control File Reviews. Prior to initial certification, and at the completion of all subsequent recertifications, each tenant file will be reviewed. Such reviews shall include, but are not limited to:

- Changes in reported Social Security Numbers or dates of birth.
- Authenticity of file Documents.
- Ratio between reported income and expenditures.
- Review of signatures for consistency with previously signed file documents.

Observation. MHA Management and Occupancy Staff (to include maintenance personnel) will maintain high awareness of circumstances, which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

Public Record Bulletins may be reviewed by Management and Staff.

State Wage Data Record Keepers. Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits

Credit Bureau Inquiries. Credit Bureau inquiries may be made (with proper authorization by the tenant) in the following circumstances:

- At the time of final eligibility determination
- When an allegation is received by MHA wherein unreported income sources are disclosed.
- When a tenant's expenditures exceed his /her reported income and no plausible explanation is given.

PI Addendum-5

D. MHA 'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

MHA staff will encourage all tenant families to report suspected abuse to the Director of Management Office. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the tenant file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The Housing Authority will not follow up on allegations, which are vague or otherwise non-specific. They will only review allegations, which contain one or more independently verifiable facts.

File Review. An internal file review will be conducted to determine:

- If the subject of the allegation is a tenant of MHA and, if so, to determine whether or not the information reported has been previously disclosed by the family.
- It will then be determined if MHA is the most appropriate Authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

Conclusion of Preliminary Review: If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the designated Management staff person will initiate an investigation to determine if the allegation is true or false.

PI Addendum-6

E. HOW MHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

If MHA determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file or a person designated by the Executive Director to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, MHA will secure the written authorization from the program participant for the release of information.

Credit Bureau Inquiries: In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity which conflicts with the reported income of the family.

Verification of Credit: In cases where the financial activity conflicts with file data, a Verification of Credit form may be mailed to the creditor in order to determine the unreported income source.

Employers and Ex-Employers: Employers or ex-employers may be contacted to verify wages, which may have been previously undisclosed or misreported.

Neighbors/Witnesses: Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to MHA 's review.

Other Agencies: Investigators, case workers or representatives of other benefit agencies may be contacted.

Public Records: If relevant, MHA will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

Interviews with Head of Household or Family Members: MHA will discuss the allegation (or details thereof) with the Head of Household or family member by scheduling an appointment at the appropriate MHA office. A high standard of courtesy and professionalism will be maintained by the MHA Staff Person who conducts such interviews. Under no circumstances will inflammatory language, accusation, or any unprofessional conduct or language be tolerated by management. If possible, an additional staff person will attend such interviews.

PI Addendum-7

F. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY MHA

Documents and other evidence obtained by MHA during the course of an investigation will be considered "work product" and will either be kept in the tenant file, or in a separate "work file." In either case, the tenant file or work file shall be kept in a locked file cabinet. Such cases under review will not be discussed among MHA Staff unless they are involved in the process, or have information which may assist in the investigation.

G. CONCLUSION OF MHA 'S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the Executive Director or designee. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

H. EVALUATION OF THE FINDINGS

If it is determined that a program violation has occurred, MHA will review the facts to determine:

- The type of violation. (Procedural, non-compliance, fraud.)
- Whether the violation was intentional or unintentional.
- What amount of money (if any) is owed by the tenant?
- Is the family eligible for continued occupancy?

PI Addendum-8

I. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED

Once a program violation has been documented, MHA will propose the most appropriate remedy based upon the type and severity of the violation.

Procedural Non-compliance

This category applies when the tenant "fails to" observe a procedure or requirement of MHA, but does not misrepresent a material fact, and there is no retroactive rent owed by the family. Examples of non-compliance violations are:

- Failure to appear at a pre-scheduled appointment.
- Failure to return verification in time period specified by MHA.

Warning Notice to the Family. In such cases a notice will be sent to the family, which contains the following:

- A description of the non-compliance and the procedure, policy or obligation, which was violated.
- The date by which the violation must be corrected, or the procedure complied with.
- The action which will be taken by MHA if the procedure or obligation is not complied with by the date specified by MHA.
- The consequences of repeated (similar) violations.

PI Addendum-9

J. PROCEDURAL NON-COMPLIANCE - RETROACTIVE RENT

When the tenant owes money to MHA for failure to report changes in income or assets, MHA will issue a Notification of Underpaid Rent. This Notice will contain the following:

- A description of the violation and the date(s).
- Any amounts owed to MHA.
- A 10-day response period.
- The right to disagree and to request an informal hearing with instructions for the request of such hearing.
 - Tenant Fails to Comply with MHA 's Notice. If the Tenant fails to comply with MHA's notice, and a material provision of the Lease has been violated, MHA will initiate termination of tenancy.
 - Tenant Complies with MHA 's Notice. When a tenant complies to MHA 's notice, the staff person responsible will meet with him/her to discuss and explain the obligation or Lease provision which was violated. The staff person will complete a Tenant Counseling Report, give one copy to the family and retain a copy in the tenant file.

Intentional Misrepresentations

When a tenant falsifies, misstates, omits or otherwise misrepresents a material fact, which results (or would have resulted) in an underpayment of rent by the tenant, MHA will evaluate whether or not:

- The tenant had knowledge that his/her actions were wrong, and
- That the tenant willfully violated the Lease or the law.

Knowledge that the action or inaction was wrong. This will be evaluated by determining if the tenant was made aware of program requirements and prohibitions. The tenant's signature on various certification, briefing certificate, Personal Declaration and *Things You Should Know* are adequate to establish knowledge of wrong-doing.

PI Addendum-10

K. WILLFULL VIOLATION OF THE LAW

The tenant willfully violated the law. Any of the following circumstances will be considered adequate to demonstrate willful intent:

- An admission by the tenant of the misrepresentation.
- That the act was done repeatedly.
- If a false name or Social Security Number was used.
- If there were admissions to others of the illegal action or omission.
- That the tenant omitted material facts, which were known to them (e.g., employment of self or other household member).
- That the tenant falsified, forged or altered documents.
- That the tenant uttered and certified to statements at a rent (re)determination which were later independently verified to be false.

The Tenant Conference for Serious Violations and Misrepresentations

When MHA has established that material misrepresentation(s) have occurred, a Tenant Conference will be scheduled with the family representative and the MHA staff person who is most knowledgeable about the circumstances of the case.

This conference will take place prior to any proposed action by MHA. The purpose of such conference is to review the information and evidence obtained by MHA with the tenant, and to provide the tenant an opportunity to explain any document findings which conflict with representations in the tenant file. Any documents or mitigating circumstances presented by the tenant will be taken into consideration by MHA. The tenant will be given 10 days to furnish any mitigating evidence.

PI Addendum-11

L. SECONDARY PURPOSE OF THE TENANT CONFERENCE

A secondary purpose of the Tenant Conference is to assist MHA in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, MHA will consider:

- The duration of the violation and number of false statements.
- The tenant's ability to understand the rules.
- The tenant's willingness to cooperate, and to accept responsibility for his/her actions
- The amount of money involved.
- The tenant's past history
- Whether or not criminal intent has been established.
- The number of false statements.

PI Addendum-12

M. DISPOSITIONS OF CASES INVOLVING MISREPRESENTATIONS

In all cases of misrepresentations involving efforts to recover monies owed, MHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

Criminal Prosecution: If MHA has established criminal intent, and the case meets the criteria for prosecution, MHA may:

- Refer the case to the local State or District Attorney, notify HUD's RIGI, and terminate rental assistance.
- Refer the case to HUD's RIGI, and terminate rental assistance.

Administrative Remedies: MHA may:

- Terminate tenancy and demand payment of restitution in full.
- Terminate tenancy and execute an administrative repayment agreement in accordance with MHA 's Repayment Policy.
- Terminate tenancy and pursue restitution through civil litigation.
- Continue assistance at the correct rent upon repayment of restitution in full in 30 days.
- Permit continued occupancy at the correct rent and execute an administrative repayment agreement in accordance with MHA 's repayment policy.

Notification to Tenant of Proposed Action

MHA will notify the tenant of the proposed action no later than 10 days after the tenant conference by certified mail.