

**ADMISSIONS AND CONTINUED OCCUPANCY POLICY**  
**FOR THE**  
**NON HUD HOUSING PROGRAM**

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## Chapter 1

### Statement of Policies and Objectives

#### **Policy Statement**

It is the fundamental policy of the Housing Authority of the City of Santa Barbara (HACSB) in all matters relating to its housing programs, to assure equal opportunity, provide quality, decent and safe housing to eligible families and individuals and to serve its tenants to the best of its ability. HACSB also recognizes that it is required to operate and maintain itself in a financially solvent manner, and is required to control annual routine expenses and establish average tenant rents to ensure solvency.

This "Statement of Policies" will apply to all housing units owned and operated by the Authority that are not otherwise regulated by a federal or state housing program. These units are referred to herein as "Non-HUD" units".

The Housing Authority has determined that the City of Santa Barbara is experiencing a growing number of persons and families in the 50 to 80 per cent of the area median income bracket who are in need of affordable housing; and that 95per cent of the Authority's assisted housing is now targeted to very low income households [defined as those earning below 50% of area median income. In recognition of these facts, this "Non-HUD" program shall be principally targeted to households whose income is between 50% and 80% of the area median income as defined by HUD.

## Chapter 2

### Eligibility for Admission

#### **INTRODUCTION**

This Chapter defines HACSB's criteria for admission and denial of admission to the program. The policy of HACSB is to strive for objectivity and consistency in applying these criteria to evaluate the qualifications of families who apply. HACSB is responsible for ensuring that every individual and family admitted to the Non-HUD program meets all program eligibility requirements. HACSB 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 HACSB pertaining to their eligibility.

#### **2.1 QUALIFICATION FOR ADMISSION**

It is HACSB's policy to admit qualified applicants only. To be eligible for the Non-HUD program:

The applicant must:

- Qualify as a family as defined by HUD and HACSB
- Have an annual gross income that does not exceed 80% of area median income as established by HUD.

HACSB must in addition, determine that the current or past behavior of household members does not include activities that are prohibited by HACSB.

#### **Timing for the Verification of Qualifying Factors**

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

#### **2.2 DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS**

##### **Family**

To be eligible for admission, an applicant must qualify as a family. *Family* as defined by HUD includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, a single person, who may be an elderly person, disabled person, near-elderly person, or any other single person; or a group of persons residing together. Such group includes, but is not limited to 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), an elderly family, a near-elderly family, a disabled family, a displaced family, or the remaining member of a tenant family. HACSB has the discretion to determine if any other group of persons qualifies as a family.

*Gender Identity* means actual or perceived gender characteristics.



*Sexual orientation* means homosexuality, heterosexuality, or bisexuality.

A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law, who can demonstrate/certify that each individual's income and other resources will be available to meet the needs of the family.

Each family must identify the individuals to be included in the family at the time of application, and must update this information if the family's composition changes.

The temporary absence of a child from the home due to placement in foster care shall not be considered in determining the family composition and family size.

### **HEAD OF HOUSEHOLD**

**Head of household** means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a co-head or spouse.

- The family may designate any qualified family member as the head of household.
- The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

### **SPOUSE, CO-HEAD, AND OTHER ADULT**

**Spouse** means the marriage partner of the head of household.

- A **marriage partner** includes the partner in a "common law" marriage as defined in state law. The term "spouse" does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.

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

- Minors who are emancipated under state law may be designated as a co-head.

**Other adult** means a family member, other than the head, spouse, or co-head, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults.

### **DEPENDENT**

A **dependent** is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except for the following persons whom can never be dependents: the head of household, spouse, co-head, foster children/adults and live-in attendants.

### **Joint Custody of Dependents**

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or resident family 51 percent or more of the time.

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

## **ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY**

### **Elderly Persons**

An **elderly person** is a person who is at least 62 years of age.

### **Near-Elderly Persons**

A **near-elderly person** is a person who is 50-61 years of age.

### **Elderly Family**

An **elderly family** is one in which the head, or sole member is an elderly person.

## **GUESTS**

A **guest** is defined as a person temporarily visiting/staying in the unit with the consent of a member of the household who has expressed or implied authority to so consent.

HACSB's lease provides that the tenant has the right to exclusive use and occupancy of the leased unit by the members of the household authorized to reside in the unit in accordance with the lease, including reasonable accommodation of their guests. Adult household members are responsible for the conduct of visitors and guests, inside the unit as well as anywhere on or near HACSB premises.

A resident family must notify HACSB when guests will be staying in the unit for more than 3 days. A guest can remain in the unit no longer than 14 days during any 12 month period or as specified in the resident's most current lease agreement

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure expected to last 20 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the Non-HUD housing unit more than 50 percent of the time, are not subject to the time limitations of guests as described above.

Former residents who have been evicted from HACSB properties, participants who have been terminated from other HACSB programs, parolees and registered sex offenders are not permitted as overnight guests.

Upon request, families must identify and provide documentation of the residence to which the guest will return. In the absence of such documentation, the guest will be considered an unauthorized household member. Guests who represent the unit address as their residence address for receipt of benefits or other purposes will be considered unauthorized occupants. In addition, guests who remain in the unit beyond the allowable time limit will be considered unauthorized occupants, and their presence constitutes violation of the lease.

### **CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS**

In order to be housed in a non-HUD unit, at least one family member must be a U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status.

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

No eligible members. Applicant families that include no eligible members will be ineligible for non-HUD housing. Such families will be denied admission and offered an opportunity for an informal review.

### **ABSENT FAMILY MEMBERS**

Individuals may be absent from the unit, either temporarily or permanently, for a variety of reasons including educational activities, placement in foster care, employment, illness, incarceration, and court order.

#### **Definitions of Temporarily and Permanently Absent**

An individual who is or is expected to be absent from the unit for 90 consecutive days or less and is expected to return, may be considered temporarily absent and may continue to be considered a family member. An individual who is or is expected to be absent from the assisted unit for more than 90 consecutive days is considered permanently absent and will be removed from the lease. Exceptions to this general policy are discussed below.

#### **Absent students**

When a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to HACSB indicating that the student has established a separate household or the family declares that the student has established a separate household. Absent students will be required to attend all reexamination appointments.

### **Absences Due to Placement in Foster Care**

Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

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

### **Absent Adult Household Members**

An employed adult household member absent from the unit more than 90 consecutive days due to employment will continue to be considered a family member.

### **Family Members Permanently Confined for Medical Reasons**

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and will be removed from the lease.

HACSB will request verification of the family member's permanent absence from a responsible medical professional. If the responsible medical professional cannot provide a determination, the person will be considered temporarily absent for up to 180 days. If the family certifies that the family member is confined on a permanent basis, they may present, and HACSB will consider, any additional documentation or evidence.

### **Return of Permanently Absent Family Members**

The family must request HACSB approval for the return of any adult family members that were previously determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed elsewhere in this policy. Generally, members previously determined to be permanently absent will not be approved to be added back to the household within twelve months following the initial determination of permanently absent.

## LIVE-IN AIDE

A **live-in aide** is a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who: (1) is determined to be essential to the care and well-being of the persons, (2) is not obligated for the support of the persons, and (3) would not be living in the unit except to provide the necessary supportive services.

HACSB will approve a live-in aide if needed as a reasonable accommodation, to make the program accessible to and usable by the family member with disabilities.

The income of a live-in aide is not counted in the calculation of annual income for the family [24 CFR 5.609(b)]. Relatives may be approved as live-in aides if they meet all of the above criteria defining a live-in aide AND all HACSB eligibility criteria for live-in aides. Because live-in aides are not considered *family* members, a relative who serves as a live-in aide would not be considered a remaining member of a tenant family and will have no residual rights to the unit.

A family's request for a live-in aide must be made in writing. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member. For continued approval, the family must submit a new, written request-subject to HACSB verification-at each annual reexamination.

In addition, the family and live-in aide will be required to certify that the live-in aide is:

- 1) Not obligated for the support of the person(s) needing the care and;
- 2) Would not be living in the unit except to provide the necessary supportive services.

The proposed live-aide must pass the HACSB eligibility process for live-in aides.

HACSB will not approve a particular person as a live-in aide, and may withdraw such approval if;

The person has committed fraud, bribery or any other corrupt or criminal act in connection with any housing program; or

The person has committed drug-related criminal activity or violent criminal activity; or

The person currently owes rent or other amounts to HACSB or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act; or

The person has been terminated from Section 8 assistance or evicted from HACSB owned/managed housing for program violations.

HACSB will notify the family of its decision in writing within 10 business days of receiving a request for a live-in aide, including all required documentation related to the request.

If approved, the live-in aide must attend recertification appointments with the family.

### **2.3 OTHER ELIGIBILITY CRITERIA**

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 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 HACSB premises;

Not to have ever been convicted of manufacturing or producing methamphetamine, also known as "speed;"

To comply with necessary and reasonable rules and program requirements of HACSB; and,

To comply with local health and safety codes.

### **2.4 SPECIAL ELIGIBILITY**

The applicant(s) is a current participant in another housing program operated by this Housing Authority and is being requested or required to move to a Non-HUD housing unit to facilitate the operation of Housing Authority programs (e.g. the applicant is a remaining member of a HUD Assisted public housing unit and is required to move to an appropriate sized unit.)

#### **Denial of Admission for Previous Debts to This or Any PHA**

Previous outstanding debts to HACSB or any PHA resulting from a previous tenancy in any housing program must be paid in full prior to admission. No payment agreement will be accepted. Previous head, spouse, co-head or adult member or the household is responsible for the entire debt incurred as a previous HACSB tenant or participant. Applicants who were minor children of former tenants who had incurred a debt to HACSB will not be held responsible for the parent's previous debt.

#### **Denial of Admission for Drug-Related and/or Other Criminal Activity**

All HACSB 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 HACSB to fully endorse and implement a policy which 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.

## **2.5 SCREENING FOR SUITABILITY**

It is the policy of HACSB 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.

HACSB 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 which they can demonstrate that they have or will have at the time of admission. The availability of assistance is subject to verification by HACSB.

HACSB's minimum age for admission as head of household is 18 (or emancipated individual), to avoid entering into leases which would not be valid or enforceable under applicable law.

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

HACSB will complete a credit check and rental history check on all applicants.

HACSB shall rely upon sources of information which may include, but not be limited to, HACSB 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.

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.

HACSB will complete a home visit at the current residence of all applicants. 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.

HACSB's examination of relevant information pertaining to past and current history, 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 sufficient to warrant a police call, destruction of property, or living or housekeeping habits at present or prior residences.

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 an 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 HACSB. 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 HACSB staff that would alter the fundamental nature of HACSB's program

### **Rent Paying Habits**



HACSB 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 present and former landlords.

Based upon these verifications, HACSB will determine if the applicant was chronically late with rent payments, was evicted at any time 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.

Applicants will not be considered to have a poor credit history if they were late paying rent because they were withholding rent due to substandard housing conditions in a manner consistent with a local ordinance; or had a poor rent paying history clearly related to an excessive rent relative to their income and responsible efforts were made by the family to resolve the nonpayment problem.

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

### **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 HACSB'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, HACSB 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. HACSB 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.

### **Examples of Mitigating Circumstances**

Evidence of successful rehabilitation;

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

Evidence of successful and sustained modification of previous disqualifying behavior.

Consideration of mitigating circumstances does not guarantee that the applicant will qualify for admission. HACSB 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 which has been verified by HACSB 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*;

Preference category to which the family is entitled.

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. HACSB shall provide applicants an opportunity for an informal review (see Chapter 13 "Complaints, Grievances, and Appeals.")

Applicants who have requested a reasonable accommodation as a person with a disability and who have been determined eligible, but fail to meet the Applicant Selection Criteria, will be offered an opportunity for a second meeting to have their cases examined to determine whether mitigating circumstances or reasonable accommodations will make it possible for them to be housed in accordance with the screening procedures.

HACSB will make every effort to accurately estimate an approximate date of occupancy. However, the date given by HACSB 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 HACSB, such as turnover rates and market demands.

### **Documenting Findings**

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

**Criminal Activity** - includes the applicant being cited, arrested or convicted of any of 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 the HACSB 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 the HACSB that the applicant has been involved in the illegal manufacture, sale, distribution, use or possession of a controlled substance.

**Gang-Related Criminal Activity** - includes a determination by the HACSB that the applicant has been involved in gang activity and/or has been identified by any law enforcement agency as being a gang member, gang associate or has been cited, arrested or convicted of any criminal activity with gang enhancement.

**Pattern of Alcohol Abuse** - includes a determination by the HACSB 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.

**Initiating Threats** - behaving in a manner or indicating intent to verbally or physically assault HACSB employees or other tenants.

**Abandonment of an HACSB owned or managed Unit** - without advising HACSB 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 the HACSB or any PHA.

**Intentionally Falsifying an Application for Leasing** - including uttering or otherwise providing false information about family income, assets, 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 loud parties, which have resulted in 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.

**Whether Applicant or Tenant is Capable of Maintaining the Responsibilities of tenancy** In the case of applicants for admission, the person's present living arrangements and a statement obtained from applicant's physician, social worker, or other health professional will be among factors considered in making this determination. The availability of a live-in attendant will be considered in making this determination.

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.

HACSB may waive the policies prohibiting admission in these circumstances if the person demonstrates to the HACSB'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.

## Chapter 3

### Applications and the Wait List

#### **INTRODUCTION**

The policy of HACSB 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 accepting applications for assistance, placement and denial of placement on the waiting list, and managing the wait list. The primary purpose of the intake function is to gather information about the family, but HACSB 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.

#### **3.1 HOW TO APPLY**

Any family who wishes to reside in non-HUD housing or any HACSB housing program must complete an online application form when application-taking is open. HACSB will ensure the accessibility of the application process.

The application process will be a two step process.

The initial step requires families to provide only the information needed to make an initial assessment of the family's eligibility, and to determine the family's placement on the waiting list. This will be done in the form of a pre-application, which will be dated and time-stamped.

Pre-applications will be made available online at [www.hacsb.org](http://www.hacsb.org).

The pre-application will contain questions designed to obtain the following information for the wait list:

Names of head and spouse

Names of all additional household members and age of all members

Number of family members (used to estimate bedroom size needed)

Street address and phone numbers

Mailing address (PO Box or other permanent address)

Annual income

Source(s) of income received by household members 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 Violent Criminal Activity

HACSB maintains one central non-HUD wait list for all properties.

Duplicate applications, including applications from a segment of an applicant household, will not be accepted.

Pre-applications will not require interviews. Information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

### **3.2 ACCESSIBILITY OF THE APPLICATION PROCESS**

#### **Persons with Disabilities**

HACSB will provide reasonable accommodation to the needs of individuals with disabilities. HACSB strives to make the application taking facility and the application process fully accessible or to all applicants. If determined not to be fully accessible HACSB will provide an alternate approach to application process that provides equal access.

#### **Limited English Proficiency**

HACSB will have staff available to assist in the translation of documents and pre-applications into Spanish.

### **3.3 PLACEMENT ON THE WAITING LIST**

HACSB will review each completed application received to assess the family eligibility or ineligibility and to determine placement on the waiting list. HACSB will place on the waiting list those families for whom the list is open unless determined ineligible. When the family is determined to be ineligible HACSB will notify the family in writing of their ineligibility and the reasons for their ineligibility. When the family is determined to be eligible, they will be placed on the applicant waiting list.

No applicant has the right or entitlement to be listed on the waiting list, or to any particular position on the waiting list.

HACSB's waiting list is organized in such a manner as to allow HACSB to accurately identify and select families in the proper order, according to the admissions policies in this Policy.

#### **Ineligible for Placement on the Waiting List**

If HACSB can determine from the information provided that a family is determined to be ineligible, HACSB will send written notification of the ineligibility determination to the applicant. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review and explain the process for doing so.

#### **Eligible for Placement on the Waiting List**

The online application system provides immediate notification of placement on the waiting list when complete applications are submitted.

Placement on the waiting list does not indicate that the family is, in fact, eligible for admission. A final determination of eligibility and qualification for preferences will be made when the family is selected from the waiting list.

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

HACSB will assign families on the waiting list a bedroom size according to the bedroom size for which a family qualifies as established in its occupancy standards.

### **3.4 REPORTING CHANGES IN FAMILY CIRCUMSTANCES**

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

Changes in an applicant's circumstances while on the waiting list may affect the family's qualification for a particular bedroom size or entitlement to a preference. When an applicant reports a change that affects their placement on the waiting list, the waiting list will be updated accordingly.

### **3.5 UPDATING THE WAITING LIST**

The waiting list will be updated as needed to ensure that all applicants and applicant information is current and timely.

To update the waiting list, HACSB will send an update request via first class mail to families on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. The update request will be sent to the last known address HACSB has on file for the family. The update request will specify a deadline by which the update must be returned to HACSB filled out by the family.

Failure to respond to the update within 30 days will result in the applicant's name being removed from the waiting list.

### **3.6 COMPLETION OF A FULL APPLICATION**

All preferences claimed on the pre-application or while the family is on the waiting list will be verified after the family is selected from the waiting list.

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.

In order to establish an eligibility pool applicants on the waiting list who will be selected in the near future will be sent an appointment letter. 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.

Applicants will be required to complete a Personal Declaration Form in their own handwriting, unless assistance is needed, or a request for accommodation is made by a person with a disability. Applicant will then be interviewed by HACSB staff to review the information on the full application form.

The HACSB interviewer will complete the full application form with answers and personal declaration form supplied by the applicant. The applicant will sign and certify that all information is complete and accurate.

### **Requirement to Attend Interview**

HACSB utilizes the full application interview to discuss the family's circumstances in greater detail, to clarify information which 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.

All adult family members must attend the interview and sign the housing application.

It is the applicant's responsibility to reschedule the interview if s/he misses the appointment. If the applicant does not reschedule HACSB will cancel the application.

Applicants who fail to appear and want to reschedule a missed appointment must make the request to reschedule no later than 10 days from the original appointment date. The applicant may request a reschedule of an eligibility appointment only twice.

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

If HACSB determines at or after the interview that additional information or document(s) are needed, HACSB will request the document(s) or information in writing. The family will be given 7 business days to supply the information.

If the information is not supplied in this time period, HACSB will provide the family a notification of denial for assistance

### **3.7 PROCESSING APPLICATIONS**

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

Income targeting

Preference verification

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

Credit and rental history

Landlord references and housekeeping inspections

### **3.8 FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY**

After the verification process is completed, HACSB will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by HACSB, and the tenant suitability 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.

## Chapter 4

### TENANT SELECTION AND UNIT ASSIGNMENT (Includes Preferences)

#### **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. In filling an actual or expected vacancy, HACSB will offer the dwelling unit to an applicant in the appropriate sequence. HACSB will make the final offer of the unit once it is accepted. This Chapter describes HACSB's policies with regard to selecting applicant families from the waiting list, admission preferences, and the number of unit offers that will be made to applicants selected from the waiting list.

#### **4.1 HACSB's OBJECTIVES**

It is HACSB'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.

By maintaining an accurate waiting list, HACSB 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 HACSB'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.

#### **4.2 WAITING LIST PREFERENCES**

A preference does not guarantee admission to the program. Preferences are used to establish the order of placement on the waiting list. Every applicant must meet HACSB's Selection Criteria as defined in this policy.

HACSB's preference system will work in combination with requirements to match the characteristics for the family to the type of unit available.

Families who reach the top of the waiting list will be contacted by HACSB to verify their preference and, if verified, HACSB will require that the family complete a full application for occupancy. Applicants must complete the application for occupancy and continue through the application processing and may not retain their place on the waiting list if they refuse to complete their processing when contacted by HACSB.

Among applicants with equal preference status, the waiting list will be organized by date and time of application.

Preferences assigned will be based on the pre-application submitted by the family. All preferences claimed will be verified.

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. Preferences are based on current status.

### **4.3 LOCAL RANKING PREFERENCES**

Ranking preferences are used to prioritize applicants. The following categories will receive a ranking preferences:

#### POINTS

- |            |                                                                                                                                                                                                                                      |
|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (2 points) | Displacement Preference: Families or persons displaced by governmental action or disaster                                                                                                                                            |
| (2 points) | Residency Preference: Applicants who either live or work within the South coast region of Santa Barbara County or have been hired to work in the jurisdiction of HACSB                                                               |
| (2 points) | Unassisted Preference: Families or persons NOT currently receiving any form of ongoing housing assistance, (e.g. residing in state, local or privately subsidized development, receiving rental assistance on a regular basis, etc.) |
| (2 points) | Working Family: Families having at least one adult household member gainfully employed, working a minimum of 20 hours a week for pay.                                                                                                |
| (2 points) | Legal Residency Preference: Families comprised of at least one legal Resident of the United States.                                                                                                                                  |
| (1 point)  | Veteran Preference: Current members of the military, veterans, or surviving spouses of veterans                                                                                                                                      |

HACSB reserves the right to select families out of this order of priority to the extent permitted by State law in order to:

- 1) Meet the needs of the City's Rental Rehabilitation Program; or
- 2) to facilitate the operation of the Housing Authority's programs and/or meet the special needs of the client.

### **4.4 FACTORS OTHER THAN PREFERENCES THAT AFFECT SELECTION OF APPLICANTS**

#### **Order of Selection**

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

When selecting applicants from the waiting list HACSB will match the characteristics of the available unit (unit size, accessibility features, unit type) to the applicants on the waiting lists. HACSB will offer the unit to the highest ranking applicant who qualifies for that unit size or type, or that requires the accessibility features.

By matching unit and family characteristics, it is possible that families who are lower on the waiting list

may receive an offer of housing ahead of families with an earlier date and time of application or higher preference status. This may also apply to avoid excessive vacancy loss when a vacancy has been offered to at least three (3) applicants and an eligible tenant has not been secured. The unit may then be offered to a household who is eligible and prepared to move.

#### **4.5 ACCESSIBLE UNITS: ELDERLY AND DISABLED UNITS**

HACSB 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, HACSB will offer such units:

First, to a current occupant of another unit of the same development, or other Public Housing developments under HACSB'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.

When offering an accessible/adaptable unit to a non-disabled applicant, HACSB will require the applicant to agree to move to an available non-accessible unit within a reasonable time 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.

#### **4.6 DESIGNATED NON-SMOKING COMPLEXES**

HACSB owned and managed properties have been designated as Non-Smoking effective April 1, 2010. All residents and their guests must refrain from smoking inside the apartments, balconies, patios and in common areas of the complex. Certain properties wherein the size and layout allow for such will have designated smoking areas. Designated smoking areas will be clearly identified and residents who choose to smoke must do so only within the posted area(s).

#### **4.7 PLAN FOR UNIT OFFERS**

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

To offer the first qualified applicant based on tenant selection an offer of a unit of the appropriate size.

Unit offers will be made to the first qualified applicant by mailing of a preliminary offer of available unit letter. The offer letter will indicate that an applicant's name has been reached on our Non-HUD/Workforce wait list based on preferences and date and time of application. All preferences will be verified prior to final offer of a unit.

#### **4.8 TIME-LIMIT FOR ACCEPTANCE OF UNIT**

Applicants must accept a unit offer within 14 days of the date of the offer is made. If a response is not received within 4 days of the date the offer is made, an applicant may be bypassed to avoid further vacancy

loss. Applicants who respond and accept the unit or those who decline with good cause within the 14 days will retain their place on the waiting list. Offers made by the telephone will be confirmed by letter.

#### **4.9 REFUSAL OF OFFER**

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

#### **4.10 APPLICANT STATUS AFTER REFUSAL OF UNIT OFFER**

When an applicant rejects the offer of a unit without good cause HACSB will:

Drop the applicant's name on the waiting list by changing the date and time of application to the date of refusal.

#### **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 or placed at the bottom of the waiting list.

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

Presence of lead paint in the unit offered when the applicant has children under the age specified by current law;

The family demonstrates to HACSB'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.

#### **Applicants with a Change in Family Size or Status**

Changes in family composition or status between the time of the interview and the final offer of a unit will be processed, however HACSB 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 according to the tenant selection and assignment plan.

#### **4.11 ACCEPTANCE OF UNIT OFFER**

If the applicant accepts the offer an appointment will be scheduled to complete the full application and determine final eligibility.

### **Requirement to Attend Interview**

HACSB utilizes the full application interview to discuss the family's circumstances in greater detail, to clarify information which 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 HACSB 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), HACSB will reject the application.

Applicants who fail to appear and want to reschedule a missed appointment must make the request to reschedule no later than 10 days from the original appointment date.

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

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 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 and offered an opportunity to request an informal hearing. (See Chapter 13 Complaints, Grievances and Appeals.)

All adult members must sign form HUD-9886, Release of Information, the declarations and consents related to citizenship/immigration status and any other documents required by HACSB. Applicants will be required to sign specific verification forms for information which 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 release as required by HACSB.

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 HACSB determines at or after the interview that additional information or document(s) are needed, HACSB will request the document(s) or information in writing. The family will be given 7 business days to supply the information.

If the information is not supplied in this time period, HACSB will provide the family a notification of denial for assistance. (See Chapter 13 Complaints, Grievances and Appeals.)

### **4.12 PROCESSING APPLICATIONS**

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

Income targeting (24 CFR 5.607) (Section 513 of the 1998 Act amending Section 16 of the 1937 Act)

Preference verification  
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  
Credit and Rental History  
Landlord references and Housekeeping Inspections

## Chapter 5

### OCCUPANCY GUIDELINES

#### INTRODUCTION

The Occupancy Guidelines are established by HACSB 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.

#### **5.1 DETERMINING UNIT SIZE**

HACSB does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom. HACSB's Occupancy Guideline standards for determining unit size shall be applied in a manner consistent with Fair Housing guidelines.

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

One bedroom will generally be assigned for every two family members. HACSB will consider factors such as family characteristics including sex, age, or relationship, the number of bedrooms and size of sleeping areas or bedrooms and the overall size of the dwelling unit. Consideration will also be given for medical reasons and the presence of a live-in attendant.

Generally unit size is to be assigned so that it will not be necessary for persons of opposite sex to have to share a bedroom.

#### **GUIDELINES FOR DETERMINING BEDROOM SIZE**

Bedroom Size	Persons in Household: (Minimum #)	Persons in Household: (Maximum #)
0 Bedroom	1	2
1 Bedroom	1	3
2 Bedrooms	2	5
3 Bedrooms	3	7
4 Bedrooms	4	9



HACSB will grant exceptions from the guidelines in cases where it is the family's request or HACSB 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:

HACSB may offer a family a unit that is larger than required by HACSB's occupancy standards, if the waiting list is short of families large enough to fill the vacancy or HACSB 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, HACSB 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 HACSB's occupancy guidelines. The request must explain the need or justification for a larger bedroom size, and must be verified by HACSB before the family is placed on the larger bedroom size list. HACSB will consider these requests:

**Person with Disability**

HACSB will grant an exception upon request as a reasonable accommodation for persons with disabilities if the need is appropriately verified.

**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 two professionals (one must be a licensed medical professional).

HACSB will not assign a larger bedroom size due to additions of family members other than by newborn births, adoption, marriage, or court-awarded custody.

All members of the family residing in the unit must be approved by HACSB. The family must obtain approval of any additional family member before the person occupies the unit except for additions by newborn births, adoption, or court-awarded custody, in which case the family must inform HACSB within 30 days.

To avoid vacancies, HACSB may provide a family with a larger unit than the occupancy standards permit. The family must agree to move to a suitable, smaller unit when another family qualifies for the larger unit and there is a suitable smaller unit available.

**5.2 ACCESSIBLE UNITS**

HACSB 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 of 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 if a person with a mobility impairment requiring the unit applies for housing and is determined eligible.

### **5.3 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 Director of Housing Management who will make determination after review of the situation, the individual circumstances, and the verification provided.

## Chapter 6

### INCOME DETERMINATIONS

#### INTRODUCTION

A family's income determines eligibility for tenancy and is also used to determine the family's rent. HACSB will use the policies and methods described in this chapter to ensure that only eligible households are offered housing.

HACSB will refer to the HUD definition of income for the non-HUD program. HUD regulations specify the sources of income to include and exclude to arrive at a family's annual income.

#### 6.1 ANNUAL INCOME

##### OVERVIEW

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

5.609 Annual income.

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

- (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
  - (2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
  - (3) Which are not specifically excluded in paragraph [5.609(c)].
- (4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

In addition to this general definition, HUD regulations establish policies for treating specific types of income and assets.

## 6.2 HOUSEHOLD COMPOSITION AND INCOME

Income received by all family members must be counted unless specifically excluded. It is the responsibility of the head of household to report changes in family composition. The chart below summarizes how family composition affects income determinations.

<b>Summary of Income Included and Excluded by Person</b>	
Live-in aides	Income from all sources is excluded
Foster child or foster adult	Income from all sources is excluded
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded by the regulations are included.
Children under 18 years of age	Employment income is excluded All other sources of income, except those specifically excluded by the regulations, are included.
Full-time students 18 years of age or older (not head, spouse, or cohead)	Employment income above \$480/year is excluded All other sources of income, except those specifically excluded by the regulations, are included.

## **Temporarily Absent Family Members**

The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit.

Generally an individual who is or is expected to be absent from the assisted unit for 90 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally an individual who is or is expected to be absent from the assisted unit for more than 90 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

The following are temporarily absent family members whose income will be counted.

### ***Absent Students***

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

### ***Absences Due to Placement in Foster Care***

Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

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

### ***Absent Head, Spouse, or Cohead***

An employed head, spouse, or cohead absent from the unit more than 90 consecutive days due to employment will continue to be considered a family member.

### **Family Members Permanently Confined for Medical Reasons**

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted.

### 6.3 ANTICIPATING ANNUAL INCOME

HACSB is required to count all income anticipated to be received from a source outside the family during the 12-month period following admission or income reexamination.

HACSB generally will use current circumstances to determine anticipated income for the coming 12-month period. However, current circumstances will be used when:

- An imminent change in circumstances is expected
- It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income)
- HACSB believes that past income is the best available indicator of expected future income

HACSB will use current tenant-provided documents to project annual income. When the tenant-provided documents are pay stubs, HACSB will make every effort to obtain current and consecutive pay stubs dated within the last 60 days.

HACSB will make every effort to obtain written and/or oral third-party verification in accordance with the verification requirements and policy in Chapter 7 to supplement tenant-provided documents.

#### ***Known Changes in Income***

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

**Example:** An employer reports that a full-time employee who has been receiving \$8/hour will begin to receive \$8.25/hour in the eighth week after the effective date of the reexamination. In such a case HACSB would calculate annual income as follows:  $(\$8/\text{hour} \times 40 \text{ hours} \times 7 \text{ weeks}) + (\$8.25 \times 40 \text{ hours} \times 45 \text{ weeks})$ .

When tenant-provided third-party documents are used to anticipate annual income, they will be dated within the last 120 days of the reexamination interview date.

## 6.4 EARNED INCOME

### **Types of Earned Income Included in Annual Income**

#### ***Wages and Related Compensation***

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

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

#### ***Some Types of Military Pay***

All regular pay, special pay and allowances of a member of the Armed Forces are except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

### **Types of Earned Income Not Counted in Annual Income**

#### ***Temporary, Nonrecurring, or Sporadic Income***

This type of income (including gifts) is not included in annual income. Sporadic income includes temporary payments from the U.S. Census Bureau for employment lasting no longer than 180 days.

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

#### ***Children's Earnings***

Employment income earned by children (including foster children) under the age of 18 years is not included in annual income.

#### ***Certain Earned Income of Full-Time Students***

Earnings in excess of \$480 for each full-time student 18 years old or older (except for the head, spouse, or cohead) are not counted. To be considered "full-time," a student must be considered "full-time" by an educational institution with a degree or certificate program.

### ***Income of a Live-in Aide***

Income earned by a live-in aide is not included in annual income

### ***Income Earned under Certain Federal Programs***

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

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

## **6.5 BUSINESS INCOME**

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

### **Business Expenses**

Net income is “gross income less business expense”.

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

### **Business Expansion**

Regulations do not permit HACSB to deduct from gross income expenses for business expansion. *Business expansion* is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

### **Capital Indebtedness**

Regulations do not permit HACSB to deduct from gross income the amortization of capital indebtedness.



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

**Negative Business Income**

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

**Withdrawal of Cash or Assets from a Business**

Regulations require HACSB to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family.

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

**Co-owned Businesses**

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

## 6.6 ASSETS

### **Overview**

There is no asset limitation for participation in the non-HUD program. However, HACSB will apply the same requirements as HUD, and include in annual income the anticipated interest, dividends, and other net income of any kind from real or personal property. For most types of assets, HACSB will determine the value of the asset in order to compute income from the asset. Therefore, for each asset type, this section discusses:

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

### **General Policies**

#### ***Income from Assets***

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

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

#### ***Valuing Assets***

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

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

Reasonable costs that would be incurred when disposing of an asset include, but are not limited to penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions.

#### ***Lump-Sum Receipts***

Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings,

insurance settlements, and proceeds from the sale of property, are generally considered assets, not income. However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an asset (e.g., deposited in a savings or checking account).

### ***Imputing Income from Assets***

When net family assets are \$5,000 or less, HACSB will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess of \$5,000, HACSB will include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by an average passbook savings rate as determined by HACSB.

- HACSB will review its passbook rate annually to ensure that it remains within 0.75 percent of the national average.

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### ***Determining Actual Anticipated Income from Assets***

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

### ***Withdrawal of Cash or Liquidation of Investments***

Any withdrawal of cash or assets from an investment will be included in income except to the extent that the withdrawal reimburses amounts invested by the family. For example, when a family member retires, the amount received by the family from a retirement investment plan is not counted as income until the family has received payments equal to the amount the family member deposited into the retirement investment plan.

### ***Jointly Owned Assets***

That annual income includes amounts derived (during the 12-month period) from assets to which any member of the family has access, whether solely or jointly owned.

### **Types of Assets**

#### ***Checking and Savings Accounts***

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

In determining the value of a savings or checking account, HACSB will use the current balance.

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

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

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

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

### ***Equity in Real Property or Other Capital Investments***

Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset.

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

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

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

In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income. In the case of capital investments owned jointly with others not living in a family's unit, a prorated share of the property's cash value will be counted as an asset unless HACSB determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

### ***Trusts***

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

#### ***Revocable Trusts***

If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered

an asset. Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust.

#### *Nonrevocable Trusts*

In cases where a trust is not revocable by, or under the control of, any member of a family, the value of the trust fund is not considered an asset. However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt, as appropriate.

#### **Retirement Accounts**

##### *Company Retirement/Pension Accounts*

In order to correctly include or exclude as an asset any amount held in a company retirement or pension account by an employed person, HACSB must know whether the money is accessible before retirement. While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset.

After a family member retires or terminates employment, any amount distributed to the family member is counted as a periodic payment or a lump-sum receipt, as appropriate, except to the extent that it represents funds invested in the account by the family member. The balance in the account is counted as an asset only if it remains accessible to the family member.

##### *IRA, Keogh, and Similar Retirement Savings Accounts*

IRA, Keogh, and similar retirement savings accounts are counted as assets even though early withdrawal would result in a penalty.

#### **Personal Property**

Personal property held as an investment, such as gems, jewelry, coin collections, antique cars, etc., is considered an asset.

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

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

Necessary items of personal property are not considered assets.

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

### ***Life Insurance***

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

## **6.7 PAYMENTS IN LIEU OF EARNINGS**

Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay, are counted as if they are received either in the form of periodic payments or in the form of a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment. If they are received in a one-time lump sum (as a settlement, for instance), they are treated as lump-sum receipts and counted as an asset and not income.

## **6.8 WELFARE ASSISTANCE**

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

## **6.9 PERIODIC AND DETERMINABLE ALLOWANCES**

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

### **Alimony and Child Support**

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

HACSB will count court-awarded amounts for alimony and child support unless HACSB verifies that: (1) the payments are not being made, and (2) the family has made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments.

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

### **Regular Contributions or Gifts**

HACSB must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with an assisted family. Temporary, nonrecurring, or sporadic income and gifts are not counted. Examples of regular contributions include: (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments), (2) cash or other liquid assets provided to any family member on a regular basis, and (3) "in-kind" contributions such as groceries and clothing provided to a family on a regular basis.

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



## Chapter 7

### VERIFICATION PROCEDURES

#### **INTRODUCTION**

This chapter explains HACSB's procedures and standards for verification of preferences, income, assets, family status, and when there are changes in family members. HACSB will ensure that proper authorization from the family is obtained before making verification inquiries. HACSB staff will obtain written verification from independent sources when possible and will document participant files when third-party verifications are not possible. Applicants and program participants must furnish proof of their statements whenever required by HACSB, and the information they provide must be true and complete. HACSB's verification requirements are designed to maintain program integrity.

#### **7.1 METHODS OF VERIFICATION AND TIME ALLOWED**

HACSB will verify information through the four (4) following methods of verification in the following order:

- **Third-Party Written**

HACSB may also require written third-party verification to substantiate claims made by an applicant or resident.

- **Third-Party Oral**

HACSB may also use telephone verifications.

- **Review of Documents**

HACSB will review documents, when relevant, to substantiate the claim of an applicant or resident.

- **Self -Certification**

A notarized statement, affidavit, certification, or statement made under penalty of perjury, and witnessed by HACSB.

Each of the verification methods is discussed in subsequent sections below. Exhibit 7-1 at the end of the chapter contains an excerpt from the notice that provides guidance with respect to how each method may be used.

HACSB will allow ten (10) days for return of third-party verifications and no more than an additional ten (10) days to obtain other types of verifications before going to the next method.

For applicants, verifications may not be more than sixty (60) days old at the time of initial occupancy.

#### **Third-Party Verification**

HACSB will diligently seek third-party verification using a combination of written and oral requests to verification sources. Information received orally from third parties may be used either to clarify information provided in writing by the third party or as independent verification when written third-party verification is not received in a timely fashion.

#### **Third-Party Written Verification**

HACSB may mail, fax, e-mail, or hand deliver third-party written verification requests and will accept third-party responses using any of these methods. HACSB will send a written request for verification to each required source within five (5) business days of securing a family's authorization for the release of

the information and give the source ten (10) business days to respond in writing. If a response has not been received by the eleventh business day, HACSB will request written verification a second time.

- HACSB will not accept verifications delivered by the family as third-party documents, except computerized printouts from appropriate agencies such as:
  - Social Security Administration
  - Veterans Administration
  - Santa Barbara County Social Services Agency
  - Unemployment Compensation Board
  - City or County Courts
  - District Attorney's Office for Child Support

### **Third-Party Oral Verification**

HACSB will make a minimum of two (2) attempts, one (1) of which may be oral, to obtain third-party verification. A record of each attempt to contact the third-party source (including no-answer calls) and all contacts with the source will be documented in the file. Regarding third-party oral verification, HACSB staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided. If provided by telephone, HACSB must originate the call.

### **Review of Documents**

In the event that third-party written or oral verification is unavailable, or the information has not been verified by the third party within ten (10) days, HACSB will notate the file accordingly and utilize documents provided by the family as the primary source if the documents provide complete information.

HACSB may also review documents when necessary to help clarify information provided by third parties. In such cases HACSB will document in the file how HACSB arrived at a final conclusion about the income to include in its calculations.

All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed which cannot be photocopied, staff viewing the document(s) will complete a Certification of Document Viewed or Person Contacted form.

HACSB will accept the following documents from the family provided that the document is such that tampering would be easily noted:

- Printed wage stubs
- Computer printouts from the employer
- Signed letters (provided that the information is confirmed by phone)
- Other documents noted in this chapter as acceptable verification
- Faxed documents.
- E-mail attachments.
- Photocopies.

If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, HACSB will utilize the third-party verification.

HACSB will not delay the processing of an application beyond thirty (30) days because a third-party information provider does not return the verification in a timely manner.

### **Self-Certification**

When verification cannot be made by third-party verification or review of documents, families will be required to submit a self-certification. Self-certification means a notarized statement, affidavit, certification, or statement made under penalty of perjury pursuant to the laws of the State of California, and must be witnessed by HACSB.

Self-certification will not be permitted for situations qualifying a family for a local preference. Third-party certification will be required during the application process.

### **7.2 RELEASE OF INFORMATION**

It is the family's obligation to supply any information requested by HACSB. As so, the family will be required to sign specific authorization forms from time to time as determined by HACSB.

Family refusal to cooperate with HACSB's prescribed verification system will result in denial of admission or termination of tenancy.

### **7.3 ITEMS TO BE VERIFIED**

The following items will be verified:

- All income not specifically excluded
- Current assets
- Legal identity of all family members
- U.S. citizenship/eligible immigrant status
- Social security numbers for all family members who have been issued a social security number
- Preference status, based upon HACSB preferences
- Marital status when needed for head or spouse definition
- Disability for determination of preferences, allowances or deductions

### **7.4 VERIFICATION OF INCOME**

This section defines the methods HACSB 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 twelve (12) months
- Year to date earnings
- Estimated income from overtime, tips, bonus pay expected during next twelve (12) months

Acceptable methods of verification include, in this order:

- Employment verification form completed by the employer.
- Check stubs or earning statements that indicate the employee's gross pay, frequency of pay or year to date earnings.
- W-2 forms plus income tax return forms.
- Profit and loss statements, written ledgers, receipts, self-certifications and/or income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.
- Applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income. In cases where there are questions about the validity of information provided by the family, HACSB will require the most recent federal income tax statements. Where doubt regarding income exists,

### **Social Security, Pensions, Supplementary Security Income (SSI), Disability Income**

Acceptable methods of verification include, in this order:

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

### **Unemployment Compensation**

Acceptable methods of verification include, in this order:

- Verification form completed by the unemployment compensation agency.
- Computer printouts from unemployment office stating payment dates and amounts.
- Payment stubs.

### **TANF Payments or General Assistance**

Acceptable methods of verification include, in this order:

- HACSB verification form completed by payment provider.
- Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next twelve (12) months.
- Computer generated notice of action.
- Computer generated list of recipients from Welfare Department.

### **Alimony or Child Support Payments**

If the family declares that it receives regular payments, verification will be sought in the following order:

- If payments are made through a state or local entity, HACSB will request a record of payments for the past 12 months and request that the entity disclose any known information about the likelihood of future payments.
- Copies of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- A notarized letter from the person who is paying the support.

- Copy of latest check and/or payment stubs from court trustee. HACSB must record the date, amount, and number of the check.
- 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.

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 notarized affidavit from the family indicating the amount(s) received.
- A welfare notice of action showing amounts received by the welfare agency for child support.
- A written statement from an attorney certifying that a collection or enforcement action has been filed.

### **Net Income from a Business**

In order to verify the net income from a business, HACSB will view IRS and financial documents from prior years and use this information to anticipate the income for the next twelve (12) months. Acceptable methods of verification include:

- IRS Form 1040, including:
  - Schedule C (Small)
  - 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.
- Financial statement(s) of the business.
- Credit report or loan application.
- Documents such as manifests, appointment books, casebooks, 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.
- If no other verification method is available, HACSB may accept the family's self-certification as to net income realized from the business during previous years. The family must provide profit and loss statements, written ledgers, receipts, and/or income tax returns signed by the family.

### **Child Care Business**

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

If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), HACSB will require that the applicant/participant complete a form for each customer which indicates the following:

- name of person(s) whose child/ren are being cared for

- phone number of person(s) whose child/ren are being cared for
- number of hours child is being cared for
- method of payment (check/cash), amount paid, and signature of person

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

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

HACSB will conduct periodic interim reevaluations and require the participant to provide a log with the information about customers and income.

### **Recurring Gifts**

The family must furnish a self-certification 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

### **7.5 VERIFICATION OF FAMILY ASSETS**

When the savings, checking, stock, bond, or CD balance is at or below \$5,000, there is no indication of a significant prior withdrawal, and the interest paid YTD is consistent with the balance showing, HACSB will request three (3) and accept two (2), original bank statements, a letter from the banking institution, or online verification printed by HACSB, explaining balance and interest rate if applicable. When one (1) original bank statement covers two (2) or more month's worth of transactions, only one (1) bank statement will be required.

When the savings, checking, stock, bond, or CD balance is above \$5,000 HACSB will require the necessary information (as listed below) 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.
  - When a banking institution charges a fee for verification, HACSB will accept hand-carried original bank statements (at least six (6) month's worth of transactions).*
- Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- Quotes from a stock broker 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 self-certification 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 (2) years preceding effective date of certification or recertification:

- For all certifications and recertification, HACSB will obtain the family's self-certification as to whether any member has disposed of assets for less than fair market value during the two (2) 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 is required that shows:
  - All assets disposed of for less than FMV,
  - The date they were disposed
  - The amount the family received,
  - The market value of the assets at the time of disposition
  - Third-Party verification will be obtained wherever possible.

## **7.6 VERIFYING NON-FINANCIAL FACTORS**

### **Verification of legal identity**

In order to prevent program abuse, HACSB 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
- Church issued baptismal certificate
- Current, valid driver's license
- U.S. military discharge (DD 214)
- U.S. passport
- Company/agency identification card
- Department of Motor Vehicles identification card
- Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:
  - Adoption papers
  - Custody agreement
  - Health and Human Services ID
  - School records

### **Verification of Marital Status**

- Divorced status will be verified by a certified copy of the divorce decree, signed by a court officer.
- Legal separation may be verified by a copy of a court order or other official record.

- Marital status will be verified by a legal marriage certificate.

### **Familial Relationships**

- Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.

The following verifications will always be required if applicable:

#### **Verification of relationship:**

- Official identification showing names
- Birth certificates
- Baptismal certificates

#### **Verification of guardianship:**

- Court ordered assignment
- Affidavit of parent
- Verification from social service agency

### **Verification of Permanent Absence of family member**

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

- Husband or wife institutes divorce action. (appropriate court documentation required)
- Husband or wife institutes legal separation. (appropriate court documentation required)
- Order of protection/restraining order obtained by one family member against another.
- Proof of another home address, such as utility bills, cancelled checks for rent, driver's 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, HACSB will accept a self-certification from the head of household or the spouse or co-head, if the head is the absent member.
- 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**

HACSB may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school records, DMV records or U.S. Postal Services, and other sources.

### **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 (as listed below) and must have their status verified by Department of Homeland Security (DHS), U.S. Citizenship and Immigration Services. Each family member must declare



their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending unless there is a hearing pending with HACSB.

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

Non-citizens 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. HACSB verifies the status through the Department of Homeland Security, U.S. Citizenship and Immigration Services SAVE system. If this primary verification fails to verify status, HACSB must request within ten (10) days that the DHS conduct a manual search.

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

Non-citizen 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. They are listed on the statement of ineligible members.

### **Failure to Provide**

If an applicant or participant 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 a unit for failure to provide required information.

### **Extensions of Time to Provide Documents**

Extensions must be given for persons who declare their eligible immigration status but need time to obtain the required documents. The length of the extension shall be based on individual circumstances. HACSB will generally allow up to 90 days to provide the document or a receipt issued by the DHS for issuance of replacement documents.

### **Acceptable Documents of Eligible Immigration**

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 DHS 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 (5) years.

### **Verification of Social Security Numbers**

Social security numbers must be provided as a condition of eligibility for all family members if they have been issued a number. Verification of social security numbers will be done through a social security card issued by the Social Security Administration. If a family member cannot produce a social security card, only the documents listed below showing his or her social security number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the social security card information provided is/are complete and accurate:

- A driver's license
- Identification card issued by a federal, state or local agency
- Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)
- An identification card issued by an employer or trade union
- An identification card issued by a medical insurance company
- Bank statements
- IRS Form 1099
- Benefit award letters from government agencies
- Retirement benefit letter
- Life insurance policies
- Court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records
- Verification of benefits or social security number from Social Security Administration

## **7.7 VERIFICATION OF LOCAL RANKING PREFERENCES**

### **Involuntary Displacement**

Families who claim they are being or have been displaced due to either a disaster or government action must provide written verification from the displacing government agency or by a service agency such as the Red Cross.

### **Residency Preference**

In order to verify that an applicant is a resident, HACSB will require a minimum of two of the following documents: rent receipts, lease/rental agreement, utility bills, employment records, school records, drivers licenses, voters registration records, credit reports, statement from household with whom the family is residing.

For families who have been hired to work in the jurisdiction of HACSB, a statement from the employer will be required.

### **Unassisted Family Preference**

Unassisted families will be verified by self-certification. Exceptions may be verified by internal HACSB database information.

### **Veteran Preference**

This preference is available to active members of the U.S. Military Armed Forces, veterans, or surviving spouses of veterans.

HACSB will require U.S. government documents which indicate that the applicant qualifies under the above definition.

Veterans must be released under other than dishonorable conditions.

## Chapter 8

### TRANSFER POLICY

#### **INTRODUCTION**

The transferring of families is a very costly procedure, both to HACSB and to the families. However, it is the policy of HACSB 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 HACSB.

#### **8.1 GENERAL STATEMENT**

HACSB may require a tenant family to move from a unit under some circumstances.

A tenant may also request a transfer, and such requests will be reviewed on a case by case basis. This chapter explains HACSB's specific policies in respect to transfers and acceptable transfer requests.

#### **Emergency Transfers**

Emergency transfers differ from typical transfers in that they require immediate action by HACSB.

If the dwelling unit is damaged to the extent that conditions are created which are hazardous to the life, health, or safety of the occupants, HACSB will offer standard alternative accommodations, if available, where the necessary repairs cannot be made within a reasonable time.

HACSB will authorize an emergency transfer for a family if one of the following conditions occurs:

The resident's unit has been damaged by fire, flood, or other causes to such a degree that the unit is not habitable, provided the damage was not the result of an intentional act on the part of the resident or a member of the resident's household.

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 HACSB for the expense of repairing such damage.

#### **Occupancy Standards Transfers**

HACSB will require a resident to move upon completion reexamination which indicates that there has been a change in family composition, and the family is either overcrowded or over-housed according to HACSB occupancy policy.

For purposes of this policy overcrowded and over-housed are defined as follows:

*Under-Housed:* the number of household members exceeds the maximum number of persons allowed for the unit size in which the family resides, according to HACSB's occupancy standards in Chapter 5 of this policy

*Over-Housed:* the family no longer qualifies for the bedroom size in which they are living based on HACSB's occupancy standards in Chapter 5 of this policy.

A family that is required to move because of family size will be advised by HACSB that a transfer is necessary and that the family has been placed on the transfer list.

## **Transfers Requested by Tenants**

The types of requests for transfers that HACSB will consider are limited to requests for transfers to alleviate a serious or life threatening medical condition, transfers due to a threat of physical harm or criminal activity, reasonable accommodation, and transfers to a different unit size as long as the family qualifies for the unit according to HACSB's occupancy standards. Transfer requests will be considered by HACSB on a case by case basis.

HACSB will consider the following as high priority transfer requests:

When a transfer is needed to alleviate verified medical problems of a serious or life-threatening nature

When there has been a verified threat of physical harm or criminal activity. Such circumstances may, at HACSB's discretion, include an assessment by law enforcement indicating that a family member is the actual or potential victim of a criminal attack, retaliation for testimony, a hate crime, or domestic violence, dating violence, sexual assault, or stalking.

When a family requests a transfer as a reasonable accommodation. Examples of a reasonable accommodation transfer include, but are not limited to, a transfer to a first floor unit for a person with mobility impairment, or a transfer to a unit with accessible features

HACSB will consider the following as regular priority transfer request:

When a family requests a larger bedroom size unit even though the family does not meet HACSB's definition of overcrowded, as long as the family meets HACSB's occupancy standards for the requested size unit

If a family requests addition of a household member that would result in the family being under-housed, the family may not be permitted to move the new household member in prior to:

HACSB approval based on eligibility and suitability, and

Transfer into unit of appropriate size as per occupancy standards in Chapter 5.

Transfers requested by the tenant are considered optional for the tenant.

## **Transfers Under Special Circumstances**

HACSB will authorize transfers under special circumstances for a participant family if one of the following conditions occurs:

The resident's unit is being modernized or significantly remodeled. In such cases the family may only be offered temporary relocation and may be allowed to return to their unit once rehabilitation is complete.

HACSB has a need, at the discretion of the Director of Housing Management to transfer the resident family to another unit and the resident voluntarily agrees to such transfer.

## **Transfers Within the Same Development**

HACSB does not allow residents to transfer from one unit to another within the same development, unless it is needed as a reasonable accommodation for a family with a member with a disability.

This policy of not transferring is not to be confused with the provision of the lease, which requires the resident, at the request of management, to move to an appropriate size unit.

## **8.2 ELIGIBILITY FOR TRANSFER**

Transferring residents do not have to meet the admission eligibility requirements pertaining to income or preference. However, HACSB may establish other standards for considering a transfer request.

Except where reasonable accommodation is being requested, HACSB will only consider transfer requests from residents that meet the following requirements:

- Have not engaged in criminal activity that threatens the health and safety of residents and staff

- Owe no back rent or other charges, or have a pattern of late payment

- Have no housekeeping lease violations or history of damaging property

- Can get utilities turned on in the name of the head of household (applicable only to properties with tenant-paid utilities)

A resident with housekeeping violations will not be transferred until the resident passes a follow-up housekeeping inspection.

Exceptions to the good record requirement may be made when it is to HACSB's advantage to make the transfer.

### **Moving Costs**

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

### **Security Deposits**

Security deposits will always be transferred from the current unit to the new unit minus any damage or cleaning charges applicable to the vacated unit.

HACSB may require a new security deposit from all families upon transfer based on current contract rent.

If a new deposit will create a financial hardship for the family HACSB will enter into a repayment agreement with the family. Any unused portion of the deposit from the family's current unit will be applied to the balance on the new security deposit and the family will be required to fulfill the remaining portion of the repayment agreement until the security deposit on the new unit has been paid in full.

## **8.3 TRANSFER REQUEST PROCEDURE**

Residents applying for a transfer will be interviewed by the housing management staff to determine the reason for the request and to determine whether a transfer is justified.

Mandatory transfers due to occupancy standards will be maintained on the transfer log in a manner that allows HACSB to easily distinguish between those that are not mandatory.

If HACSB determines that a transfer is justified it will place the family on transfer log the family will be sent a letter stating that their name has been placed on the transfer log. If the request is determined not to be justified HACSB will respond by denying the request, or by requesting additional information or documentation from the family.

The resident will be informed of the new rent and security deposit at time the transfer notice is mailed.

If the family declines the transfer for a good cause their name may remain on the transfer log for the next appropriate sized unit.

If the family declines the unit without good cause the family will be removed from the transfer log and HACSB will not be obligated to offer any further transfers.

## **TRANSFER LOG**

HACSB maintains a centralized transfer log to ensure that transfers are processed in the correct order.

Emergency transfers will be given priority on the transfer log; if an appropriate unit is available they will be handled immediately.

Transfers will be processed in the following order:

- Emergency Transfers
- High-priority transfers (Medical Hardship, Reasonable accommodation)
- Occupancy Standards (over-housed or under-housed)
- All other reasons

Within the above categories transfers will be processed based on the time and date that a family was placed on the transfer list.

In order to address the immediate need of a family in crisis, on a case by case basis with the approval of the Director of Housing Management, a transfer of a family may be made without regard to its placement on the transfer list.

## **8.4 OFFER POLICY**

Residents will receive one offer of a transfer. When the transfer is required by HACSB, refusal of that offer without good cause will result in lease termination. When the transfer has been requested by the resident, refusal of an offer without good cause will result in the removal of the household from the transfer log.

### **Good Cause for Unit Refusal**

Examples of good cause for refusal of a unit offer are as follows:

- Demonstration by the family that accepting the offer would place a family or family member's life, health or safety in jeopardy. Reasons must be specific to the family. Compelling documentation such as court orders or restraining orders will be requested. Refusals due to the location of the unit alone are not considered to be good cause;
- Presence of lead paint in the unit offered when the applicant has children under the age specified by current law;

- A qualified, knowledgeable, health professional verifies temporary hospitalization or recovery from an illness of the principal household member, other household member, or a live in attendant; or
- The unit is inappropriate for the resident's disabilities.

Documentation will be required for unit refusals for good cause.

#### **8.5 TIME FRAME FOR MOVES**

Families will be given reasonable time (Up to 7 days) to move without incurring double rent.

## Chapter 9

### LEASING AND INSPECTIONS

#### **INTRODUCTION**

It is HACSB's policy that all units must be occupied pursuant to a dwelling lease agreement that complies with Federal, State, and local law. This Chapter describes pre-leasing activities and HACSB's policies pertaining to lease execution, lease modification, security deposits, other charges, and policies for inspecting dwelling units.

An eligible family may occupy a Non-HUD unit under the terms of a lease. The lease must meet all regulatory requirements, and must also comply with applicable State and local laws and codes.

The term of the lease will be a month to month agreement

#### **9.1 LEASE ORIENTATION**

After acceptance of a unit and prior to occupancy, an HACSB representative will provide a lease orientation to the family.

The orientation will be provided at the time the lease is signed.

#### **Orientation Agenda**

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

- A copy of HACSB's Non-HUD lease and grievance procedure
- A copy of the House Rules
- HACSB's Parking Resolution
- Earthquake and Fire preparedness
- HACSB's Pet policy (if applicable)
- HACSB's current Schedule of Maintenance Charges
- Move-in condition report
- Rent Payment Coupons
- Move-in Instructions
- Preventative maintenance handbook

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

- Applicable deposits and other charges
- Provisions of the Lease
- Unit maintenance and work orders
- Parking Permits
- Reporting Requirements
- Pet Policy (if applicable)

#### **9.2 EXECUTION OF LEASE**

The lease shall be executed by the head of household, spouse, co-head and all other adult members of the household, and by an authorized representative of HACSB, at the time of admission.



An appointment will be scheduled for the parties to execute the lease. One executed copy of the lease will be given to the tenant; the second copy will be retained in the tenant's file. The lease is incorporated into this policy by reference. The lease document will reflect current HACSB 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 HACSB unit to another.
- Lease signers must be persons legally eligible to execute contracts. If no member of the household is qualified to sign a lease, a legal guardian may co-sign the lease, subject to HACSB approval.
- The names of all household members are listed on the lease at initial occupancy. Only those persons listed on the lease shall be permitted to occupy a dwelling unit.
- Households that include a live-in attendant for a disabled or elderly resident are required to execute a separate HACSB agreement for residence of the attendant, authorizing the arrangement and describing the status of the attendant.
- Households that include a live-in attendant will contain file documentation signed by the live-in attendant, indicating that the live-in attendant is not a party to the lease and is not entitled to HACSB assistance, with the exception of occupancy while serving as the attendant for a disabled/elderly family member.

HACSB 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 is grounds for termination of tenancy.

### **9.3 MODIFICATIONS TO THE LEASE**

The lease may be modified at any time by written agreement of the tenant and HACSB.

#### **Addition of Household Members**

Requests for the addition of a new member of the household must be approved by HACSB, prior to the actual move-in by the proposed new member.

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

#### **Factors determining household additions which are subject to screening:**

- Addition by marriage
- Foster Children
- Addition of a minor who is a member of the nuclear family who had been living elsewhere.
- Addition of an HACSB-approved live-in attendant.
- Resident requests to add a new family member to the lease, employ a live-in attendant, or take in a foster child(ren).

**Factors determining household additions which are not subject to screening:**

- Additions resulting from birth, adoption, or court-awarded custody of a child (17 and younger only), to an existing household member.

**Factors determining household additions which may be subject to screening, depending on HACSB discretion:**

- Children 17 and under for whom juvenile justice records are made available, who are added through the foster care program are not exempt from the pre-screening process.

HACSB will request that tenants provide HACSB with a signed consent form from the parent(s) or legal guardian allowing HACSB to check the juvenile records of the child. Sources to be checked may include any of the following:

- School Records (attendance/behavior)
- Juvenile Probation/Court Records
- Police Records

The addition of a family member that will affect the bedroom size required by the family, per HACSB occupancy standards may not be approved by HACSB. This is applicable only in such cases where the addition is not the result of birth, adoption, court awarded custody, or marriage.

HACSB may not approve the addition of a family consisting of more than one member to the lease. Such applicants will be encouraged to apply to the waiting list.

Residents who fail to notify HACSB 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 by HACSB to be unauthorized occupants and the entire household will be subject to eviction.

Family members age 18 and older who move from the dwelling unit to establish new households shall be removed from the lease. The tenant must notify HACSB of the move-out within 30 days of its occurrence. These individuals may not be readmitted to the unit and must apply as a new applicant for placement on the waiting list.

The resident may not allow visitors to stay overnight more than 14 days in a twelve month period.

The family must request HACSB written approval prior to visitors arriving who will be in the unit in excess of 14 days in twelve month period.

Boarders, lodgers, homeless persons and parolees 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 HACSB who has been evicted to occupy the unit for any period of time.

Registered Sex Offenders are not allowed in the dwelling unit or on HACSB property.

Residents must advise HACSB when they will be absent from the unit for more than 14 days and provide a means for HACSB to contact the resident in the event of an emergency. Failure to advise HACSB of extended absences is grounds for termination of the lease.

## **Removal of Household Members**

If any member of the household ceases to reside in the unit, the lease will be amended in writing, by an Amendment to the Residential Lease Agreement/Change of Household Composition. This amendment will list the name, birth date, and relationship to the head of household of the person being removed from the household, and will require the signature of all adult household members.

## **9.4 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.

When applicable, families will be charged for excess utility usage according to HACSB current schedule. Notices of excess utility charges will be mailed out to families on a monthly basis. Non-payment of excess utility charge payments to HACSB is a violation of the lease and is grounds for eviction.

## **9.5 SECURITY AND PET DEPOSITS**

### **Security Deposit**

New tenants must pay a security deposit to HACSB at the time of admission. The amount of the security deposit shall be equal to one month's contract rent or the reasonable fixed amounts as outlined in Appendix 4 of this policy.

HACSB may permit installment payments of security deposits when a new tenant demonstrates a financial hardship to the satisfaction of HACSB. In such cases the tenant will be required to sign a promissory note with HACSB, and will be allowed no more than 6 months to pay off the balance in full.

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

HACSB 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; and, or
- Other charges under the Lease.

HACSB will refund the security deposit less any amounts owed, in the amount and manner established by California Civil code §195.5. The security deposit and tenant's notification of charges withheld will be mailed to the tenant's last known address.

### **Pet Deposit**

New and existing tenants who request to have a pet in the dwelling unit must receive prior approval from HACSB and pay a pet deposit. Pet deposits are not required for service animals. The amount of the pet deposit will be as per the prevailing HACSB pet policy in effect at the time that the pet is added to the household.

HACSB will place the pet deposit in an escrow account and refund the unused portion of the deposit and any accrued interest within a reasonable time. Upon removal of the pet from the unit,

HACSB will refund the pet deposit to the tenant, less any charges for damage to the dwelling unit caused by the pet.

HACSB will provide the tenant with a written list of any charges against the security or pet deposits. If the tenant disagrees with the amount charged to the security or pet deposits, HACSB will provide the tenant an opportunity of a meeting to discuss the charges.

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

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

HACSB will refund the pet deposit and/or security deposit to the former tenant or in the event of death, to the estate of the tenant.

If the tenant transfers to another HACSB unit, HACSB will transfer the security deposit and pet deposit, if applicable, less damages to the new unit. The Security Deposit will be adjusted according to the current contract rent or Appendix 4.

#### **9.6 RENT PAYMENTS**

The family must pay the amount of the monthly tenant rent determined by HACSB in accordance with HUD regulation. The tenant rent is due and payable at HACSB-designated locations on the 1st of every month. If the first falls on a weekend or a holiday, the rent is due and payable on the first business day thereafter.

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

#### **9.7 FEES AND NONPAYMENT PENALTIES**

If the tenant fails to make full payment by the 5<sup>th</sup> day of the month, a 3-day Notice to Terminate Tenancy will be issued to the tenant for failure to pay rent, demanding payment in full or the surrender of the premises.

In addition, if the resident fails to make payment by the end of business hours on the fifth day of the month, HACSB may charge a late fee of \$25.00. All charges are due and payable 14 calendar days after billing. If the tenant can document financial hardship, the late fee may be waived at HACSB's discretion on a case by case basis.

HACSB will always consider the rent unpaid when a check is returned as Non-Sufficient Funds (NSF) or a check is written on a closed account.

#### **9.8 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.

#### **9.9 INSPECTIONS OF NON-HUD UNITS**

In order to maintain Non-HUD units in a condition satisfactory to HACSB, HACSB will inspect each dwelling unit prior to move-in, at move-out, and annually during occupancy.

#### **Initial Inspections**

HACSB and the family must 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 HACSB and the tenant, will be kept in the tenant file.

The head, co-head, or spouse will sign the inspection form.

### **Vacate Inspections**

HACSB's Property Development Department (P&D) will perform a move-out inspection when the family vacates the unit. The family will be allowed to participate in this inspection if they desire, unless the tenant vacated without proper notice.

The purpose of this inspection is to determine necessary maintenance and whether there are damages that exceed normal wear and tear. HACSB 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 difference between the condition of the unit at move-in and move-out shall establish the basis for any charges against the security deposit.

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

Residents are encouraged to participate in the move-out inspection.

### **Annual Inspections**

HACSB will inspect all units annually using HUD's minimum Housing Quality Standards (HQS) as a guideline. All inspections will include a check of all smoke alarms to ensure proper working order.

Residents who "fail" the inspection due to housekeeping or tenant-caused damages will be given 30 days to correct noted items. A follow up inspection will be conducted after the 30 days have elapsed to ensure proper compliance.

Residents will be issued a copy of the inspection report with required corrections.

If it is determined that there are needed repairs to bring the unit into HQS compliance, repairs will be completed by HACSB.

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

Required corrections will be repaired by HACSB within 30 days of the inspection date.

Resident will be notified at least two days before the date of the required repairs will be completed.

Tenant caused damages or damages beyond normal wear and tear will be billed to the tenant.

Residents who repeatedly "fail" the inspection or cause excessive damage to the unit may be in violation of their lease. These residents may be scheduled for a lease violation conference and/or subject to more frequent inspections or issued notice to vacate the unit.

### **Other Inspections**

The Property and Development department staff will periodically conduct walk-through inspections to determine whether there may be lease violations, adverse conditions or local code violations.

Playground inspections are conducted regularly to determine playground safety.

Building exterior and grounds inspections are conducted at all properties to determine hazardous conditions as well as to assist in budget preparation.

### **Emergency Inspections**

HACSB staff including HACSB inspectors may enter the dwelling unit at any time without advance notice when there is reasonable cause to believe that an emergency exists. If no adult household member is present at the time of an emergency entry, HACSB will leave a written statement showing the date, time and purpose of the entry prior to leaving the dwelling unit.

### **ENTRY OF PREMISES NOTICES**

HACSB may enter the unit, with reasonable advance notification to perform routine inspections and maintenance, make improvements and repairs, or to show the unit for re-leasing.

### **Non-Emergency Entries**

HACSB will give at least 48 hour written notice for non-emergency inspections. Non-emergency entries to the unit will be made during reasonable hours of the day.

For regular annual inspections, families will receive at least 2 weeks written notice of the date and time of inspection to allow the family to prepare the unit for inspection.

An adult household member must be present in the unit during the inspection and may be required to show identification.

If no person is at home, the inspector will not enter the unit. The inspection will be rescheduled and administrative fees may be charged to the resident.

Cancellation will only be made for emergency purposes.

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

All rescheduling for non-emergency reasons must be done at least 5 business days prior to the inspection, or an administration fee may be charged to the resident.

Entry for repairs to the unit requested by the family will not require prior written notice, as permission to enter will be requested over the phone at the time the resident requests the repair. If no one is in the unit, staff will leave a written notice to the resident explaining the reason the unit was entered and the date and time.

### **Non-Inspection Emergency Entry**

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

### **Family Responsibility to Allow Inspection**

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

The resident is notified of the inspection appointment by mail.

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 housekeeping habits that pose a non-emergency health or safety risk, or encourage insect or rodent infestation will be issued a Housekeeping Citation, and a re-inspection will be conducted by Housing Authority staff or the Home Care Coordinator within 30 days.

The inspection will be conducted to confirm that the resident has complied with the requirement to abate the problem. If the family fails to comply with the re-inspection it can result in lease termination.

### **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 which could be charged against the tenant's security deposit under state law or court practice. Tenant caused damages will be billed to the tenant in accordance with this policy.

## Chapter 10

### PETS/SERVICE ANIMALS

#### **INTRODUCTION**

The Housing Authority of the City of Santa Barbara (HACSB) has the discretion to decide when and how the keeping of pets will be allowed in Non-HUD units governed by this document. This Chapter explains HACSB's policies on the keeping of pets and service animals and sets forth the criteria and standards pertaining thereto. In approving this policy, the Housing Authority Commission finds that the following rules are reasonably related to the legitimate interest of HACSB to provide a decent, safe, and sanitary living environment for all tenants, to protecting and preserving the physical condition of HACSB property, and to the financial interest of HACSB.

Under no circumstances shall any animal (including reptile, fish, arachnid, etc.) be brought on to Housing Authority property or be kept on Housing Authority property if such animal is classified as "dangerous" or "endangered" as defined by Federal, State, or local law.

This chapter is organized as follows:

**Part I: Policies for Service Animals.** This part explains the difference between service/assistance animals and pets and contains policies related to the designation of an assistance animal as well as their care and handling.

**Part II: Pet Policies for all Developments.** This part includes pet policies that are common to both elderly and general occupancy developments.

**Part III: Deposits and Additional Fees for Pets.** This part contains policies for pet deposits and fees applicable to all developments.



## PART I: SERVICE ANIMALS

### 10.1 OVERVIEW

Service animals are animals that provide assistance or perform tasks for the benefit of a person with a disability, or that provide emotional support that alleviates one or more identified symptoms or effects of a person's disability. Service animals – often referred to as “assistance animals,” “assistive animals,” “support animals,” or “therapy animals” – perform many disability-related functions, including but not limited to the following:

- Guiding individuals who are blind or have low vision
- Alerting individuals who are deaf or hearing impaired
- Providing minimal protection or rescue assistance
- Pulling a wheelchair
- Fetching items
- Alerting persons to impending seizures
- Providing emotional support to persons with disabilities who have a disability-related need for such support

**Service/Assistance animals that are needed as a reasonable accommodation for persons with disabilities are not considered pets, and therefore, are not subject to the HACSB policies described in Parts II through III of this chapter.**

### 10.2 APPROVAL OF SERVICE ANIMALS

A person with a disability is not automatically entitled to have a service animal. Reasonable accommodation requires that there is a relationship/nexus between the person's disability and his or her need for the service animal. HACSB will require written verification of the need for a service animal from a licensed medical professional.

HACSB will not refuse to allow a person with a disability to have a service animal merely because the animal does not have formal training. Some, but not all, animals that assist persons with disabilities are professionally trained. Other service animals are trained by the owners themselves and, in some cases, no special training is required. The question is whether or not the animal performs the assistance or provides the benefit needed by the person with the disability.

HACSB's refusal to permit persons with a disability to use and live with a service animal that is needed to assist them would violate Section 504 of the Rehabilitation Act and the Fair Housing Act unless:

- There is reliable objective evidence that the animal poses a direct threat to the health or safety of others that cannot be reduced or eliminated by a reasonable accommodation;
- There is reliable objective evidence that the animal would cause substantial physical damage to the property of others.

HACSB has the authority to regulate service animals under applicable Federal, State, and local law.

For an animal to be excluded from the pet policy and be considered a service animal, there must be a person with disabilities in the household, and the family must request, and HACSB must approve, a reasonable accommodation in accordance with this policy.

### **10.3 REGISTRATION OF SERVICE ANIMALS**

Residents must submit their request for a service animal to HACSB in writing and once approved, enter into a Service Animal Agreement with HACSB. All animals must be approved in advance and be registered with HACSB before they are brought onto the premises.

Service Animal registration includes:

- a) Current license for the animal (if applicable) in compliance with local ordinances and requirements.
- b) Documentation issued/signed by a licensed veterinarian or State/local authority that the animal has received all inoculations required by State or local law, and that the animal has no communicable disease(s) and is pest-free.
- c) The names and contact information of two responsible parties who may be contacted to care for the animal in the case of an emergency and/or if the health or safety of the animal is threatened by the death or incapacity of the resident or by other factors that render the owner unable to care for the animal.
- d) A photograph of the animal.
- e) Execution of a Service Animal Agreement with HACSB stating that the resident acknowledges complete responsibility for the care and handling of the animal.
- f) Registration must be renewed and will be coordinated with the resident's re-certification date. Proof of license and inoculation will be requested at least 30 days prior to the annual reexamination/re-certification.

HACSB will not require a pet deposit for a service animal and will not require a disabled resident to spay or neuter their service animal. If the disabled resident chooses not to have their service animal spayed or neutered and the animal has offspring, resident will not be allowed to keep the offspring on Housing Authority property and will be required to remove the offspring from the property. Residents will be responsible for any damage caused by service animals as well as any related costs.

### **10.4 NUMBER OF SERVICE ANIMALS**

Generally, a disabled resident may own a maximum of one service animal. Additional service animals may be permitted upon verification of the need by a licensed medical professional.

### **10.5 HACSB REFUSAL TO REGISTER A SERVICE ANIMAL**

HACSB may deny the registration or withdraw the approval of a particular service animal. If HACSB denies registration of a service animal, a written notification will be sent to the resident within 10 business days of the HACSB decision stating the reason for denial. The notice of denial may be combined

with a notice of violation. HACSB will consider whether the denial could be reduced or eliminated by a reasonable accommodation.

HACSB may refuse to register a particular service animal if:

- Such animal is classified as “dangerous” or “endangered” as defined by Federal, State, or local law.
- Such animal’s behavior or temperament have proven to be a threat to the health and safety of other residents, the animal has caused physical damage to the property, and HACSB reasonably determines that the resident is unable to keep the animal in compliance with service animal guidelines and other lease obligations.
- The resident fails to provide complete registration information, or fails to update the registration annually;

## **10.6 SERVICE ANIMAL STANDARDS**

The type of service animal will be approved as per verification or recommendation of the disabled resident’s need by a licensed medical professional. The standard requirements for service animals on Housing Authority properties are as follows:

### **Dogs:**

- Maximum number: one (1)
- Must be housebroken
- Must have all required inoculations
- Must be licensed as specified now or in the future by State law and local ordinance

### **Cats:**

- Maximum number: one (1)
- Must have all required inoculations
- Must be trained to use a litter box
- Must be licensed as specified now or in the future by State law or local ordinance

### **Birds:**

- Maximum number: two (2)
- Must be enclosed in an acceptable and appropriately sized cage at all times.

### **Fish:**

- Maximum aquarium size: 10 gallons
- Must be maintained on stand to be approved by HACSB management
- Must be on a ground floor (not allowed on upper stories)

Note: Aquariums sized less than 10 gallons shall not be defined as a pet and will not require a pet deposit

**Rodents** (rabbits, guinea pigs, hamsters, domestic rats, domestic mice, or gerbils ONLY)

- Maximum number: two (2)
- Must be enclosed in an acceptable and appropriately sized cage at all times
- Must have any or all inoculations as specified now or in the future by State law or local ordinance

#### **Reptiles**

- Maximum number: two (2)
- Maximum weight: 10lbs.
- Must be enclosed in an acceptable and appropriately sized cage or container at all times

### **10.7 ANIMALS TEMPORARILY ON THE PREMISES**

Service animals or pets which are not owned by a resident and are not registered with the Housing Authority will not be allowed to reside on the premises. Pet/animal-sitting is not permitted. Visitor animals/pets are subject to all Housing Authority rules and restrictions and resident is responsible for any damage, behavior, or other issues involving visitor animals. Housing Authority reserves the right to prohibit visitor animals on the property if they are determined to be a danger to other residents, cause damage, or if any rules are not followed. Residents are prohibited from feeding or harboring stray animals.

### **10.8 CARE AND HANDLING**

Residents must maintain their service animal responsibly, in accordance with HACSB policies, and in compliance with applicable state and local public health, animal control, and animal anti-cruelty laws and regulations.

No animal (excluding fish) shall be left unattended in any unit for a period longer than that which is appropriate for the needs of the individual animal. While this period may vary depending on the animal in question, HACSB and the resident understand that, in general, dogs should not be left alone for more than 9 hours, and other animals for more than 24 hours, on a regular basis. All residents/owners shall be responsible for adequate care, nutrition, exercise and medical attention for their service animal.

Residents must ensure that service animals do not pose a direct threat to the health or safety of others, or cause physical damage to the development, dwelling unit, or property of other residents.

When a resident's care or handling of a service animal violates these policies, HACSB will consider whether the violation could be reduced or eliminated by a reasonable accommodation. If HACSB determines that no such accommodation can be made, HACSB may withdraw the approval of a particular service animal.

Residents/owners must recognize that other residents may have chemical sensitivities or allergies related to animals, or may be easily frightened or disoriented by animals. Owners must agree to exercise courtesy with respect to other residents.

## **10.9 DESIGNATION OF ANIMAL AREAS**

Service animals must be maintained within the resident's unit. When outside of the unit (within the building or grounds) dogs and cats must be kept on a leash or carried, and under the control of the resident or other responsible individual at all times. Keeping animals on patios, balconies, in laundry rooms, or anywhere outside of the unit on the property is prohibited.

Residents are prohibited from tying/chaining their animals to stairwells, railings, lawn, trees, or other common areas in or around their units.

## **10.10 CLEANLINESS REQUIREMENTS**

Dogs must be trained to go to the bathroom outside of the unit and cats must be trained to use a litter box. Animals must not be permitted to urinate or defecate on patios and balconies. Litter boxes as well as cages and tanks for other types of animals must be cleaned regularly. Resident is responsible for keeping any animal clean and pest-free.

### **Litter Box Requirements**

- All animal waste or the litter from litter boxes shall be picked up immediately by the owner, disposed of in sealed plastic trash bags, and placed in a trash bin.
- Litter shall not be disposed of by being flushed through a toilet.
- Litter boxes shall be stored inside the resident's dwelling unit.

### **Removal of Waste from Other Locations**

- The resident/owner shall be responsible for the removal of any/all waste, deposited by animals, from the premises and/or on or about the property by placing it in a sealed plastic bag and disposing of it in an outside trash bin or other appropriate container.
- The resident/owner shall take adequate precautions to eliminate any animal odors within or around the unit and to maintain the unit, patios, and balconies in a sanitary condition at all times.

## **10.11 ALTERATIONS TO UNIT**

Residents/owners shall not alter their unit, patio, premises or common areas to create an enclosure for any animal. Installation of pet doors is prohibited.

## **10.12 NOISE**

Resident must agree to control the noise of animals so that such noise does not constitute a nuisance to other residents or disturb the peaceful enjoyment of their housing unit or the premises. This includes, but is not limited to, loud or continuous barking, howling, whining, biting, scratching, chirping, or other such activities.

### **10.13 RESPONSIBLE PARTIES**

At the time the animal is registered with HACSB, the resident/owner will be required to designate two responsible parties for the care of the animal if the health or safety of the animal is threatened by the death or incapacity of the owner, or by other factors that render the owner unable to care for the animal.

### **10.14 INSPECTIONS**

In addition to other inspections allowed, HACSB may, after reasonable notice to the tenant, enter and inspect the premises during reasonable hours to ensure that safe and sanitary conditions are maintained in the dwelling unit. Also, un-caged animals shall be restrained by the resident/owner during any inspection so as to avoid any possible encounter between the animal and inspector or other Housing staff.

### **10.15 POLICY VIOLATIONS**

#### **Service Animal Violation Notice**

All complaints of animal cruelty or neglect and all dog or other animal bites will be referred to animal control or other applicable agency for investigation and enforcement.

If a determination is made on objective facts that a resident/owner has violated the HACSB Policy, written notice will be served to the resident. The Notice will contain a brief statement of the factual basis for the determination and the rule(s) which were violated. The notice will also state:

- That the resident/owner has ten (10) business days from the effective date of the service of notice to correct the violation or make written request for a meeting to discuss the violation;
- That the resident/owner is entitled to be accompanied by another person of his or her choice at the meeting, and;
- That the resident/owner's failure to correct the violation, request a meeting, or appear at a requested meeting may result in notice to remove the animal from the premises and/or notice to terminate tenancy.

If the resident/owner requests a meeting within the ten (10) day period, the meeting will be scheduled no later than ten (10) business days after the date of their request for a meeting, unless the resident/owner agrees to a later date in writing.

#### **Remedies**

Nothing in this section shall preclude HACSB from taking immediate corrective action for a violation and charging the resident for related costs, such as in the case of failure to remove animal waste from a common area or flea infestation.

#### **10.16 NOTICE OF SERVICE ANIMAL REMOVAL**

If the resident/owner and HACSB are unable to resolve the violation at the meeting or the resident/owner fails to correct the violation in the time period allotted by the Authority, HACSB may serve notice to remove the animal.

The Notice shall contain:

- A brief statement of the factual basis for HACSB's determination of policy violations;
- The requirement that the resident/owner must remove the animal within thirty (30) days of the Notice; except in cases where the animal presents an immediate threat to health and safety in which case, a three (3) day notice may be served.
- A statement that failure to remove the animal may result in the initiation of termination of tenancy procedures.

#### **10.17 TERMINATION OF TENANCY**

HACSB may initiate procedures for termination of tenancy based on a policy violation if:

- The resident/owner has failed to remove the animal or correct a service animal policy violation within the time period specified, or if there are repeated policy violations and;
- The service animal policy violation is sufficient to begin procedures to terminate tenancy under terms of the lease.

#### **10.18 SERVICE ANIMAL REMOVAL**

If the health or safety of the animal is threatened by the death or incapacity of the resident/owner, or by other factors that render the owner unable to care for the animal, (includes animals who are poorly cared for or have been left unattended for over twenty-four (24) hours) the situation will be reported to the responsible parties designated by the resident/owner.

If the responsible parties are unwilling or unable to care for the animal, or if HACSB after reasonable efforts cannot contact the responsible parties, HACSB may contact the appropriate State or local agency and request the removal of the animal.

If the animal is removed as a result of any aggressive act on the part of the animal, the animal will not be allowed back on the premises.

Upon the death of their service animal, residents will be responsible for removing the deceased animal from the property by immediately contacting the appropriate State or local agency (including the Humane Society or Veterinarian). Residents are prohibited from disposing of their deceased animals in dumpsters, or burying the deceased animal on or around the development.

### **10.19 EMERGENCIES**

HACSB will take all necessary steps to ensure that animals which become vicious, display symptoms of severe illness, or demonstrate behavior that constitutes an immediate threat to the health or safety of others, are referred to the appropriate State or local entity authorized to remove such animals.

If it becomes necessary to place the animal in a shelter facility, the cost will be the responsibility of the owner. If an animal is removed as result of any aggressive act on the part of the animal, the animal will not be allowed back onto any Housing property.

### **10.20 REASONABLE ACCOMMODATION**

**When a disabled resident's care or handling of a service animal or the behavior of the animal violates these policies and/or poses a threat to health and safety, HACSB will consider whether the violation could be reduced or eliminated by a reasonable accommodation. If HACSB determines that no such accommodation can be made, HACSB may withdraw the approval of a particular service animal and allow the resident the option of obtaining a replacement service animal.**

### **10.21 LIABILITY**

The resident shall be liable for any damage or injury whatsoever caused by the service animal and shall pay HACSB upon demand, for any and all costs incurred by HACSB as a result of damage or injury.

The intent of this Policy is to grant individual authorization to allow disabled persons to have a service animal within their apartment unit and to allow the Housing Authority to reasonably recover potential costs incurred for damages caused to Housing Authority Property. Nothing in this Policy shall imply approval or acceptance of such animal ownership to the extent of passing liability to the Housing Authority.

The resident agrees to indemnify HACSB and all of HACSB's agents against all liability, judgments, expense (including costs and attorney's fees), or claims by third parties for any injury to any person or damage to property of any kind whatsoever caused by the resident's animal(s).

Residents with approved assistance animals are exempt from paying an additional pet deposit.

### **10.22 ANIMAL WASTE REMOVAL AND OTHER CLEANING/REPAIR CHARGES**

Resident/owner is responsible for all service animal waste removal from the unit and surrounding areas. Animal waste removal charges are not part of rent payable by the resident. All reasonable expenses incurred by HACSB as a result of damages directly attributable to the presence of the service animal will be the responsibility of the resident, including:

- Cleaning and related waste removal;
- The cost of repairs and replacements to the dwelling unit or HACSB property;
- Fumigation of the dwelling unit.



A waste removal charge of \$10.00 per occurrence will be assessed against resident/owners who fail to remove animal waste in accordance with this policy. The expense of flea de-infestations shall be the responsibility of the resident.

If the resident is in occupancy when such costs occur, the resident shall be billed for such costs as a current charge. If such expenses occur as a result of a move-out inspection, the resident will be billed for such costs as a move-out charge.

Upon move-out or removal of the service animal from the unit, whichever occurs first, HACSB will bill the resident for reasonable expenses or damages directly attributable to the presence of the service animal, including but not limited to, the costs of repairs and replacements to, and fumigation of, the dwelling unit. If the resident disagrees with the amount charged to the pet deposit, the resident will have 30 calendar days to contact HACSB in writing to dispute the charges.

## **PART II: PET POLICIES FOR ALL DEVELOPMENTS**

### **10.23 OVERVIEW**

The purpose of a pet policy is to establish clear guidelines for ownership of pets and to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. It also establishes reasonable rules governing the keeping of common household pets. This part contains pet policies that apply to all developments.

### **10.24 MANAGEMENT APPROVAL OF PETS**

Residents must submit their request for a pet in writing and enter into a Pet Agreement with HACSB. All pets must be approved in advance and be registered with HACSB management before they are brought onto the premises.

### **10.25 REGISTRATION OF PETS**

Pet registration includes:

- 1) Current license for the pet (if applicable) in compliance with local ordinances and requirements.
- 2) Documentation issued/signed by a licensed veterinarian or State/local authority that the pet has received all inoculations required by State or local law, and that the pet has no communicable disease(s) and is pest-free.
- 3) Proof that dogs and cats have been spayed or neutered unless, a veterinarian certifies that subjecting this particular pet to the procedure would be medically unsafe. If the animal is too young at the time of registration, residents must agree to have them spayed or neutered within 30 days of the pet reaching 6 months of age. If any pet is not spayed or neutered and have offspring, residents will be in violation of the pet policy and will not be allowed to keep the offspring on Housing Authority property.
- 4) A photograph of the pet
- 5) The names and contact information of two responsible parties who may be contacted to care for the pet in the case of an emergency and/or if the health or safety of the pet is threatened by the death or incapacity of the resident or by other factors that render the owner unable to care for the pet.
- 6) The applicable pet deposit as outlined in HACSB's Lease Addendum for Pets (Pet Agreement)
- 7) Execution of a Pet Agreement with HACSB stating that the resident acknowledges complete responsibility for the care and handling of the pet.

- 8) Registration must be renewed and will be coordinated with the resident's re-certification date. Proof of license and inoculation will be requested at least 30 days prior to the reexamination/re-certification.

Pets will not be approved to reside in a unit until completion of the registration requirements.

#### **10.26 HA REFUSAL TO REGISTER PETS**

If HACSB denies the registration of a pet, a written notification will be sent to the pet owner within 10 business days stating the reason for denial. The notice of denial may be combined with a notice of a pet violation.

HACSB will refuse to register a pet if:

- The pet is not a *common household pet* as defined by this policy;
- Such animal is classified as "dangerous" or "endangered as defined by Federal, State, or Local law.
- The resident has previously been charged with animal cruelty under state or local law; or has been evicted, had to relinquish a pet, or been prohibited from future pet ownership due to pet rule violations or a court order.
- Keeping the pet would violate any HACSB policies, house rules, or lease obligations;
- The pet owner fails to provide complete pet registration information, or fails to update the registration annually;
- HACSB reasonably determines that the pet owner is unable to keep the pet in compliance with the pet rules and other lease obligations (including chronic poor housekeeping). The pet's temperament and behavior may be considered as a factor in determining the pet owner's ability to comply with provisions of the lease.

A resident who cares for another resident's pet must notify HACSB and agree to abide by all of the pet rules in writing.

## **10.27 STANDARDS FOR PETS**

In no event shall the allowed number of pets in a given unit exceed one (1) pet. In the case of certain caged animals, HACSB has chosen to consider two of the same type of caged pet, one (1) pet for the purpose of this policy.

Residents/each unit may have ONE of the following choices:

- One (1) Dog
- One (1) Cat
- One (1) Rabbit
- Two (2) caged birds = 1 pet
- Two (2) caged rodents (guinea pigs, hamsters, gerbils) = 1 pet
- Two (2) caged reptiles (excluding snakes) = 1 pet
- One (1) fish aquarium (maximum 10 gallons)

Note: Each dog, cat, caged animal and aquarium shall require a pet deposit as defined under in this policy.

## **10.28 TYPES OF PETS ALLOWED (COMMON HOUSEHOLD PETS)**

For the purposes of this policy, a ***common household*** pet is defined as a domesticated animal, such as a dog, cat, bird, or other animal that is traditionally recognized as a companion/pet and is kept in the home for pleasure rather than commercial purposes. Animals NOT PERMITTED in Housing Authority properties are certain breeds of dogs as outlined below, ferrets (or other animals whose natural protective mechanisms pose a risk of serious bites or lacerations), arachnids or other insects, snakes, pigs, farm animals, and any animal not permitted under State or local law. All approved animals must have all inoculations as specified by State law or local ordinance. Housing will require the name and contact information of persons responsible to care for the pet if Resident is not able to for any reason.

The types of pets that will be allowed and the requirements are as follows:

### **Dogs:**

- Maximum number: one (1)
- \*Maximum adult weight restrictions:
  - Studio units – 30 lbs.
  - 1 bedroom units – 50 lbs.
  - 2 and 3 bedroom units – 75 lbs.
  - 4 and 5 bedroom units – 100 lbs.
- \*HACSB may approve larger dogs if deemed appropriated for the dwelling
- Must be housebroken
- Must be spayed or neutered
- Must have all required inoculations
- Must be licensed as specified now or in the future by State law and local ordinance

The following breeds of dogs or any mix of the following breeds will not be permitted as pets on Housing Authority properties: Chow, Doberman, Rottweiler, Pit Bull, Great Dane, St. Bernard, Mastiffs, and working dogs of Swiss Alps origin.

**Cats:**

- Maximum number: one (1)
- Must be spayed or neutered
- Must have all required inoculations
- Must be trained to use a litter box
- Must be licensed as specified now or in the future by State law or local ordinance

**Birds**

- Maximum number: two (2)
- Must be enclosed in an acceptable and appropriately sized cage at all times.

**Fish**

- Maximum aquarium/fish tank size: 10 gallons
  - Must be maintained on stand to be approved by HACSB management
  - Must be on a ground floor (not allowed on upper stories)
- Note: Aquariums/tanks sized less than 10 gallons shall not be defined as a pet and will not require a pet deposit

**Rodents** (rabbits, guinea pigs, hamsters, domestic rats, domestic mice, or gerbils ONLY)

- Maximum number: two (2)
- Must be enclosed in an acceptable and appropriately sized cage at all times
- Must have any or all inoculations as specified now or in the future by State law or local ordinance

**Reptiles** (snakes are prohibited)

- Maximum number: two (2)
- Maximum weight: 10lbs.
- Must be enclosed in an acceptable and appropriately sized cage or container at all times

Any pet not specifically listed above must get Housing Authority Management's written approval.

**10.29 PETS TEMPORARILY ON THE PREMISES**

Pets which are not owned by a resident and are not registered with the Housing Authority will not be allowed to reside on the premises. Pet-sitting is not permitted. Visitor pets are subject to all Housing Authority rules and restrictions and resident is responsible for any damage, behavior, or other issues involving visitor pets. Housing Authority reserves the right to prohibit visitor pets on the property if they are determined to be a danger to other residents, cause damage, or if any rules are not followed. Residents are prohibited from feeding or harboring stray animals.

### **10.30 PET CARE AND HANDLING**

Pet owners must maintain pets responsibly, in accordance with HACSB policies, and in compliance with applicable state and local public health, animal control, and animal anti-cruelty laws and regulations. No pet (excluding fish) shall be left unattended in any unit for a period longer than that which is appropriate for the needs of the individual pet. While this period may vary depending on the pet in question, HACSB and the resident understand that, in general, dogs should not be left alone for more than 9 hours, and other pets for more than 24 hours, on a regular basis.

All residents/pet owners shall be responsible for adequate care, nutrition, exercise and medical attention for his/her pet.

Residents/pet owners must recognize that other residents may have chemical sensitivities or allergies related to pets, or may be easily frightened or disoriented by animals. Pet owners must agree to exercise courtesy with respect to other residents.

### **10.31 DESIGNATION OF PET/NO-PET AREAS**

Pets must be maintained within the resident's unit. When outside of the unit (within the building or grounds) dogs and cats must be kept on a leash or carried and under the control of the resident or other responsible individual at all times. Pets must not be allowed to run loose or roam the property. Keeping pets on patios, balconies, in laundry rooms, or anywhere outside of the unit on the property is prohibited.

Pets will not be allowed in common areas including Housing offices, community rooms, laundry areas and maintenance shops/areas.

Residents are prohibited from tying/chaining their pets to stairwells, railings, lawn, trees, or other common areas in or around their units.

### **10.32 CLEANLINESS REQUIREMENTS**

Dogs must be trained to go to the bathroom outside of the unit and cats must be trained to use a litter box. Animals must not be permitted to urinate or defecate on patios and balconies. Litter boxes as well as cages and tanks for other types of animals/pets must be cleaned regularly. Resident is responsible for keeping any pet clean and pest-free.

#### **Litter Box Requirements**

- All animal waste or the litter from litter boxes shall be picked up immediately by the pet owner, disposed of in sealed plastic trash bags, and placed in a trash bin.
- Litter shall not be disposed of by being flushed through a toilet.
- Litter boxes shall be stored inside the resident's dwelling unit.

#### **Removal of Waste from Other Locations**

- The resident/pet owner shall be responsible for the removal of any/all waste, deposited by pets, from the premises and/or on or about the property by placing it in a sealed

plastic bag and disposing of it in an outside trash bin or other appropriate container.

- The resident/pet owner shall take adequate precautions to eliminate any pet odors within or around the unit and to maintain the unit, patios, and balconies in a sanitary condition at all times.

### **10.33 ALTERATIONS TO UNIT**

Residents/pet owners shall not alter their unit, patio, premises or common areas to create an enclosure for any animal. Installation of pet doors is prohibited.

### **10.34 NOISE**

Pet owners must agree to control the noise of pets so that such noise does not constitute a nuisance to other residents or disturb the peaceful enjoyment of their housing unit or the premises. This includes, but is not limited to, loud or continuous barking, howling, whining, biting, scratching, chirping, or other such activities.

### **10.35 RESPONSIBLE PARTIES**

At the time the pet is registered with HACSB, the resident/pet owner will be required to designate two responsible parties for the care of the pet if the health or safety of the pet is threatened by the death or incapacity of the pet owner, or by other factors that render the pet owner unable to care for the pet.

### **10.36 INSPECTIONS**

In addition to other inspections allowed, HACSB may, after reasonable notice to the tenant, enter and inspect the premises during reasonable hours to ensure that safe and sanitary conditions are maintained in the dwelling unit. Also, un-caged pets shall be restrained by the resident/pet owner during any inspection so as to avoid any possible encounter between the pet and inspector.

### **10.37 PET POLICY VIOLATIONS**

#### **Pet Policy Violation Notice**

All complaints of pet cruelty or neglect and all dog or other animal bites will be referred to animal control or other applicable agency for investigation and enforcement.

If a determination is made on objective facts that a resident/pet owner has violated the HACSB Pet Policy, written notice will be served to the resident. The Notice will contain a brief statement of the factual basis for the determination and the pet rule(s) which were violated. The notice will also state:

- That the resident/pet owner has ten (10) business days from the effective date of the service of notice to correct the violation or make written request for a meeting to discuss the violation;

- That the resident/pet owner is entitled to be accompanied by another person of his or her choice at the meeting, and;
- That the resident/pet owner's failure to correct the violation, request a meeting, or appear at a requested meeting may result in notice to remove the pet from the premises and/or notice to terminate tenancy.

If the pet owner requests a meeting within the ten (10) day period, the meeting will be scheduled no later than ten (10) business days after the date of their request for a meeting, unless the pet owner agrees to a later date in writing.

### **Remedies**

Nothing in this section shall preclude HACSB from taking immediate corrective action for a violation and charging the resident for related costs, such as in the case of failure to remove pet waste from a common area or flea infestation.

### **10.38 NOTICE OF PET REMOVAL**

If the resident/pet owner and HACSB are unable to resolve the violation at the meeting or the pet owner fails to correct the violation in the time period allotted by the Authority, HACSB may serve notice to remove the pet.

The Notice shall contain:

- A brief statement of the factual basis for HACSB's determination of Pet Policy violations;
- The requirement that the resident/pet owner must remove the pet within thirty (30) days of the Notice; except in cases where the pet presents an immediate threat to health and safety in which case, a three (3) day notice may be served.
- A statement that failure to remove the pet may result in the initiation of termination of tenancy procedures.

### **10.39 TERMINATION OF TENANCY**

HACSB may initiate procedures for termination of tenancy based on a pet policy violation if:

- The pet owner has failed to remove the pet or correct a pet policy violation within the time period specified or if there are repeated pet policy violations, and;
- The pet policy violation is sufficient to begin procedures to terminate tenancy under terms of the lease.



#### **10.40 PET REMOVAL**

If the health or safety of the pet is threatened by the death or incapacity of the pet owner, or by other factors that render the owner unable to care for the pet, (includes pets who are poorly cared for or have been left unattended for over twenty-four (24) hours) the situation will be reported to the responsible parties designated by the resident/pet owner.

If the responsible party is unwilling or unable to care for the pet, or if HACSB after reasonable efforts cannot contact the responsible party, HACSB may contact the appropriate State or local agency and request the removal of the pet.

If the pet is removed as a result of any aggressive act on the part of the pet, the pet will not be allowed back on the premises.

Upon the death of their pet, residents will be responsible for removing the deceased pet by immediately contacting the appropriate State or local agency (including the Humane Society or Veterinarian). Residents are prohibited from disposing of their deceased pets in dumpsters, or burying the deceased pet on or around the development.

#### **10.41 EMERGENCIES**

HACSB will take all necessary steps to ensure that pets which become vicious, display symptoms of severe illness, or demonstrate behavior that constitutes an immediate threat to the health or safety of others, are referred to the appropriate State or local entity authorized to remove such animals.

If it becomes necessary to place the pet in a shelter facility, the cost will be the responsibility of the pet owner. If a pet is removed as result of any aggressive act on the part of the pet, the pet will not be allowed back onto any Housing property.

#### **10.42 LIABILITY**

The resident shall be liable for any damage or injury whatsoever caused by the pet(s) and shall pay HACSB upon demand, for any and all costs incurred by HACSB as a result of damage or injury caused by the pet(s).

The intent of this Policy is to grant individual authorization to possess a pet within their apartment unit and to allow the Housing Authority to reasonably impose additional deposits to cover potential costs incurred for damages caused to Housing Authority Property. Nothing in this Policy shall imply approval or acceptance of such pet ownership to the extent of passing liability to the Housing Authority.

The resident agrees to indemnify HACSB and all of HACSB's agents against all liability, judgments, expense (including costs and attorney's fees), or claims by third parties for any injury to any person or damage to property of any kind whatsoever caused by the resident's pet(s).

### **PART III. DEPOSITS AND ADDITIONAL FEES FOR PETS**

#### **10.43 OVERVIEW**

Resident shall be required to pay a \$300.00 refundable Pet Deposit for the purpose of defraying all reasonable costs/damages directly attributable to the presence of the pet. The Pet Deposit must be received by HACSB prior to the date the pet is registered and brought into the assisted unit. The pet deposit is retained by Housing until the pet is permanently removed from the unit or upon vacate, whichever is sooner. HACSB may allow residents who are unable to pay the deposit in full upon registering the pet, to make monthly payments, however, residents with any outstanding debts to the Housing Authority must pay the deposit in full upon registering the pet. HACSB reserves the right to change or increase the required deposit by amendment to these rules.

Residents with approved service/assistance animals are exempt from paying an additional pet deposit.

#### **10.44 PET WASTE REMOVAL AND OTHER CLEANING/REPAIR CHARGES**

Resident/pet owner is responsible for all pet waste removal from the unit and surrounding areas. Pet deposit and pet waste removal charges are not part of rent payable by the resident. All reasonable expenses incurred by HACSB as a result of damages directly attributable to the presence of the pet will be the responsibility of the resident, including:

- Cleaning and related waste removal;
- The cost of repairs and replacements to the dwelling unit or HACSB property;
- Fumigation of the dwelling unit.

A pet waste removal charge of \$10.00 per occurrence will be assessed against pet owners who fail to remove pet waste in accordance with this policy.

If the resident is in occupancy when such costs occur, the resident shall be billed for such costs as a current charge. If such expenses occur as a result of a move-out inspection, they will be deducted from the pet deposit. The resident will be billed for any amount that exceeds the pet deposit. The pet deposit will be refunded when the resident moves out or no longer has a pet on the premises, whichever occurs first. The expense of flea de-infestations shall be the responsibility of the resident.

#### **10.45 REFUND OF PET DEPOSIT**

HACSB may use the pet deposit only to pay reasonable expenses directly attributable to the presence of the pet, including but not limited to, the costs of repairs and replacements to, and fumigation of, the dwelling unit. HACSB must refund the unused portion of the pet deposit to the resident within 21 calendar days of move out or removal of the pet from the unit. Resident will be billed for any amount that exceeds the pet deposit.

HACSB will provide the resident with a written list of any charges against the pet deposit within 21 calendar days of the move out or removal of the pet from the unit. If the resident disagrees with the amount charged to the pet deposit, the resident will have 30 calendar days to contact HACSB in writing to dispute the charges.



**Chapter 11**  
**REEXAMINATIONS**

**INTRODUCTION**

HACSB is required to review and re-determine income eligibility for Non-HUD assisted families at a minimum of once every three (3) years. At the reexamination or income review families must report their current household composition, income and assets. Between regular reexaminations, HACSB requires that families report all changes in household composition within 30 days of an occurrence and annually complete a declaration of their household composition and income. This Chapter defines HACSB's policy for conducting reexaminations and further explains the interim reporting requirements for families, and the standards for timely reporting.

**11.1 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 families verified annual income is below 120% AMI as established by HUD.

Residents may be required to complete an annual declaration to update household members, income, assets and criminal activity. This declaration will be processed via mail and will not require an appointment unless the Housing Authority deems it necessary based upon information disclosed.

**11.2 REEXAMINATION NOTICE TO THE FAMILY**

All families will be notified of their obligation to recertify by first class mail. The notification shall be sent at least 60 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, HACSB will provide the notice in an accessible format. HACSB will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

HACSB's procedure for conducting reexaminations will be:

- Schedule reexamination by mailing a notice and reexamination forms to the family.
- Notification will include time and date and location of the appointment.

**Collection of Information**

HACSB will require the family to complete a Personal Declaration and applicable reexamination forms prior to all reexamination interviews.

The HACSB representative will interview the family and enter the information provided by the family on the reexamination form, review the information with the family and have them sign the form.

### **Requirements to Attend**

All adult household members including household members who will be 18 years of age or older at the effective date of the reexamination will be required to attend the reexamination interview and sign the application for continued occupancy.

If all adult household members are unable to attend the interview, the appointment may be rescheduled.

### **Failure to Respond to Notification to Recertify**

The written notification will explain which family members are required to attend the reexamination interview. The family may call to request another appointment date up to 2 business days prior to the scheduled interview.

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

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

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

### **Documents Required From the Family**

Families will be required to complete all forms included in the personal declaration packet and provide all documentation and forms related to the family's income, assets, expenses, and family composition as requested by HACSB.

### **11.3 VERIFICATION OF INFORMATION**

All information which affects the family's continued eligibility for the program will be verified in accordance with the verification procedures and guidelines described in this Policy. Verifications used for reexamination must be less than 120 days old.

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 household should pay.

### **11.4 DETERMINATION OF HOUSEHOLD RENT**

If the household remains income eligible for the program, rent will be set at the applicable non-HUD rent tier as outlined in exhibit II. Households will be given a 60-day written notice of any increases in household rent.

### **11.5 OVER INCOME HOUSEHOLDS**

If it is determined that a family's gross income equals or exceeds 120% of AMI at the time of reexamination, families will be given a 90-day notice of termination of tenancy as they no longer qualify as an income eligible household.

### **11.6 RENT DECREASES DUE TO HARDSHIP**

HACSB may grant a decrease in rent due to hardship circumstances that through no fault of their own will severely inhibit the household's ability to pay the assigned rent. Rent will not be decreased to an amount lower than the HACSB hardship rent tier for non-HUD units. If a decrease is granted, rent will be set at the applicable non-HUD rent tier. Eligible hardship circumstances are limited to the following:

- Retirement
- Loss of income due to the death of a household member
- Loss of income due to a catastrophic illness
- Permanent disability
- Loss of employment

Hardship decreases due to loss of employment will be considered a temporary financial hardship and will be limited to a maximum of 180 days. The rent will be reinstated to the amount prior to the hardship decrease, or the applicable non-HUD rent tier, whichever is higher, at the expiration of 180 days or upon employment, whichever is sooner.

The income of all other households who have been granted a hardship decrease will be re-evaluated annually instead of every three years and if their income has increased, rent will be increased to the applicable rent tier. Annual re-evaluations will continue as long as any hardship decrease remains in effect.

Any household who has been granted a hardship decrease will be required to report re-employment or any increases in income in writing to the Housing Authority immediately and no later than 30 days of the occurrence.

### **11.7 REPORTING INTERIM CHANGES**

#### **Family/Household Composition Changes**

The members of the family residing in the unit must be approved by HACSB. Between three year reexaminations, families must report all changes in household composition to HACSB in writing within 30 days of an occurrence. This includes additions due to marriage, birth, adoption and court-awarded custody.

For household composition changes other than birth, adoption or court-awarded custody, the family must request and obtain HACSB approval prior to allowing any additions to the unit. Additions due to marriage require a prior eligibility appointment and HACSB written approval.

HACSB 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.

The three year reexamination date will not change as a result of this action.

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

### **Increase in Family Size**

HACSB will consider a unit transfer (if needed under the Occupancy Guidelines) for additions to the family in the following cases:

Addition by marriage

Addition of a minor who is a member of the nuclear family who had been living elsewhere

Addition of a HACSB-approved live-in attendant

Addition due to birth, adoption or court-awarded custody (17 years and younger only)

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.

### **11.8 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 HACSB to be living in the unit.

A live-in attendant, by definition, is not a member of the family nor a party to the lease and will not be considered a remaining member of the Family.

In order for a minor child to continue to receive assistance as a remaining family member:

- The court has to have awarded emancipated minor status to the minor or;
- HACSB 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.

A reduction in family size may require a transfer to an appropriate unit size per the Occupancy Standards.

### **11.9 CHANGES IN UNIT SIZE**

HACSB shall grant exceptions to the occupancy standards if the family requests and HACSB determines the exceptions are justified according to this policy.

HACSB will not assign a larger bedroom size due to additions of family members other than by birth, adoption or court-awarded custody of a child or marriage.

HACSB 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 Log.

(Reference Chapter 5 "Occupancy Guidelines" and Chapter 8 "Transfer Policy")

## Chapter 12

### LEASE TERMINATIONS

#### **INTRODUCTION**

HACSB may terminate tenancy for a family because of serious or repeated violations of the terms of the lease, and for other good cause. This Chapter describes HACSB's policies that govern both the family's and HACSB's termination of the lease.

#### **12.1 TERMINATION BY TENANT**

If a family desires to move and terminate tenancy they must provide HACSB a written 30 calendar day advance notice as defined in the lease agreement.

The termination notice must be signed and dated by the head of household, spouse, or co-head.

#### **12.2 TERMINATION BY HACSB**

Termination of tenancy will be in accordance with HACSB's lease and State and local law.

#### **Failure to Provide Social Security Documentation**

HACSB must terminate assistance if a participant family fails to provide the documentation or certification required for any family member who obtains a social security number or joins the family.

#### **Methamphetamine Manufacture or Production**

HACSB must terminate tenancy if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally-assisted housing.

#### **Failure to Accept HACSB's Offer of a Lease Revision**

If HACSB has offered a lease revision to an existing lease and the family fails to accept it HACSB must terminate the lease.

#### **OTHER AUTHORIZED REASONS FOR TERMINATION OF ASSISTANCE**

The Violence Against Women Reauthorization Act of 2005 explicitly prohibits HACSB from considering incidents or actual threatened domestic violence, dating violence, or stalking as reasons for terminating the assistance of a victim of such violence.

HACSB will terminate assistance for tenants for the following reasons:

If the family violates any family obligation under the program as listed in 24 CFR 982.551.

If any member of the family has ever been evicted from federally assisted housing in the last five years

If any PHA has ever terminated assistance under a housing program for any member of the family.



If any member of the family commits drug-related criminal activity, or violent criminal activity.

If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

If the family currently owes rent or other amounts to HACSB or to another PHA in connection with Section 8 or Public Housing assistance under the 1937 Act.

If the family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

If the family breaches an agreement with any PHA to pay amounts owed to a PHA, or amounts paid to an owner on behalf of a family by a PHA.

If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation.

If the family has engaged in or threatened abusive or violent behavior toward HACSB personnel.

"Abusive or violent behavior towards HACSB personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

"Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

Any behavior which constitutes sexual harassment toward HACSB personnel will be cause for termination.

Actual physical abuse or violence will always be cause for termination.

Any member of the family whose drug or alcohol abuse interferes with the health, safety or peaceful enjoyment of other project residents.

Refer to Chapter 2 "Eligibility for Admission" for further information.

- Nonpayment of rent or other charges due under the lease, or repeated late payment of rent;
- Failure to provide timely and accurate statements of income, assets and family composition at admission, Interim, special or five year recertifications;
- Assignment or subleasing of the premises or providing accommodation for boarders or lodgers;
- Failure to receive written permission to allow guests or visitors for more than 14 days within any 12 month period.
- Use of the premises for purposes other than solely as a dwelling unit for the tenant and

- tenant's household as identified in this lease, or permitting its use for any other purposes;
- Failure to abide by necessary and reasonable rules made by the PHA for the benefit and well being of the housing project and the tenants;
  - Failure to abide by applicable building and housing codes materially affecting health or safety;
  - Failure to dispose of garbage waste and rubbish in a safe and sanitary manner;
  - Failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning and other equipment, including elevators, in a safe manner;
  - Acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts;
  - 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
  - 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* Housing premises (as defined in the lease), while the tenant is a tenant in Non-HUD 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)).
  - If contraband or a controlled substance is seized on the tenant's premises, incidental to a lawful search or arrest, HACSB will be notified by the County Attorney's Office that it is to bring an unlawful detainer action against that tenant. HACSB will then commence unlawful detainer procedures to terminate the Lease.
  - Alcohol abuse that HACSB determines interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.
  - Non-compliance with Non-Citizen Rule requirements.
  - Other good cause.

### **12.3 NOTIFICATION REQUIREMENTS**

HACSB'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.

Notices of lease termination shall be in writing and personally delivered to all adult members of the household or sent by first class mail properly addressed to tenants.

#### **Timing of the Notice**

If HACSB terminates the lease, written notice will be given as follows:

At least 3 calendar days prior to termination in the case of failure to pay rent;

A reasonable time, but not to exceed 30 days, considering the seriousness of the situation when the health or safety of other residents or HACSB employees is threatened;

At least thirty days prior to termination in all other cases.

HACSB shall notify the Post Office that mail should no longer be delivered to the person who was evicted for criminal activity, including drug-related criminal activity.

### **Criminal Activity**

HACSB will immediately and permanently 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.

HACSB will terminate assistance of participants in cases where HACSB 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 HACSB determines that there is a pattern of illegal use of controlled substances or a pattern of alcohol abuse.

HACSB will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous 3 months.

***"Engaged in or engaging in or recent history of" drug related criminal activity*** means any act within the past 3 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" violent criminal activity*** means any act within the past 3 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 HACSB, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

In evaluating evidence of negative behavior, HACSB will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of

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

- The person demonstrates successful completion of a credible rehabilitation program approved by HACSB, or

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

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

#### **12.4 RECORD KEEPING**

A written record of every termination and/or eviction shall be maintained by HACSB and the tenant file will be retained for a minimum of 5 years.

#### **12.5 CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE**

##### **Evidence**

For criminal activity, HACSB may terminate assistance if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted.

HACSB will use the concept of the preponderance of the evidence as the standard for making all termination decisions.

***Preponderance of the 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. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence

##### **Consideration of Circumstances**

HACSB is permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated.

HACSB will consider the following factors when making its decision to terminate assistance:

- The seriousness of the case, especially with respect to how it would affect other residents
- The effects that termination of assistance may have on other members of the family who were not involved in the action or failure
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or a victim of domestic violence, dating violence, or stalking
- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully

- HACSB will require the participant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.
- In the case of program abuse, the dollar amount of the overpaid assistance and whether or not a false certification was signed by the family

### **Reasonable Accommodation**

If the family includes a person with disabilities, HACSB's decision to terminate the family's assistance is subject to consideration of reasonable accommodation.

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, HACSB will determine whether the behavior is related to the disability. If so, upon the family's request, HACSB will determine whether alternative measures are appropriate as a reasonable accommodation. HACSB will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance.

### **12.6 TERMINATING THE ASSISTANCE OF DOMESTIC VIOLENCE, DATING VIOLENCE, OR STALKING VICTIMS AND PERPETRATORS**

The Violence Against Women Reauthorization Act of 2005 (VAWA) provides that "criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control shall not be a cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that domestic violence, dating violence, or stalking."

VAWA gives HACSB the authority to "terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant."

VAWA does not limit the authority of HACSB to terminate the assistance of any tenant if HACSB "can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant is not evicted or terminated from assistance."

### **Victim Documentation**

When a participant family is facing assistance termination because of the actions of a participant, household member, guest, or other person under the participant's control and a participant or immediate family member of the participant's family claims that she or he is the victim of such actions and that the actions are related to domestic violence, dating violence, or stalking, HACSB will require the individual to submit documentation affirming that claim.

The documentation must include two elements:

- A signed statement by the victim that provides the name of the perpetrator and certifies that the incidents in question are bona fide incidents of actual or threatened domestic violence, dating violence, or stalking, and
- One of the following:

A police or court record documenting the actual or threatened abuse, or

A statement signed by an employee, agent, or volunteer of a victim service provider; an attorney; a medical professional; or another knowledgeable professional from whom the victim has sought assistance in addressing the actual or threatened abuse. The professional must attest under penalty of perjury that the incidents in question are bona fide incidents of abuse, and the victim must sign or attest to the statement.

The required certification and supporting documentation must be submitted to HACSB within 14 business days after HACSB issues their written request. The 14-day deadline may be extended at HACSB's discretion. If the individual does not provide the required certification and supporting documentation within 14 business days, or the approved extension period, HACSB may proceed with assistance termination.

Once a victim has completed certification requirements, HACSB will continue to assist the victim and may use bifurcation of the lease as a tool to remove the perpetrator from assistance. HACSB will make every effort to work with victims of domestic violence before terminating the victim's assistance.

In extreme circumstances when HACSB can demonstrate an actual and imminent threat to other participants or those employed at or providing service to the property if the participant's tenancy is not terminated, HACSB will bypass the standard process and proceed with the immediate termination of the family's assistance.

### **Terminating the Assistance of a Domestic Violence Perpetrator**

Although VAWA provides assistance termination protection for victims of domestic violence, it does not provide protection for perpetrators. VAWA gives HACSB the explicit authority to "terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others...without terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant." This authority supersedes any local, state, or other federal law to the contrary. However, if HACSB chooses to exercise this authority, it must follow any procedures prescribed by HUD or by applicable local, State, or Federal law regarding termination of assistance.

When the actions of a participant or other family member result in an HACSB decision to terminate the family's assistance and another family member claims that the actions involve criminal acts of physical violence against family members or others, HACSB will request that the victim submit the above required certification and supporting documentation in accordance with the stated time frame. If the certification and supporting documentation are submitted within the required time frame, or any approved extension period, HACSB will terminate the perpetrator's assistance. If the victim does not provide the certification and supporting documentation, as required, HACSB will proceed with termination of the family's assistance.

If HACSB can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the participant's tenancy is not terminated, HACSB will bypass the standard process

and proceed with the immediate termination of the family's assistance.

**Confidentiality Requirements**

All information provided to HACSB regarding domestic violence, dating violence, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared data base nor provided to any related entity, except to the extent that the disclosure is:

- Requested or consented to by the individual in writing,
- Required for use in an eviction proceeding, or
- Otherwise required by applicable law.

## Chapter 13

### COMPLAINTS, GRIEVANCES AND APPEALS

#### **INTRODUCTION**

This Chapter describes the policies, procedures and standards to be used when families disagree with an HACSB decision. The procedures and requirements are explained for preference denial meetings, informal hearings and conferences. The informal hearing requirements as defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the HACSB. It is the policy of HACSB to ensure that all families have the benefit of all protections due to them under the law.

Grievances shall be handled in accordance with HACSB's approved Grievance Procedures. The written grievance procedure is incorporated into this document by reference and is the guideline to be used for all grievances and appeals.

#### **13.1 COMPLAINTS**

HACSB will respond promptly to complaints from families, employees, and members of the public. All complaints will be documented.

Each complaint regarding physical condition of the units may be reported by phone to the Maintenance Department. Anonymous complaints are checked whenever possible. HACSB may require that all other complaints be put in writing.

**Complaints from families** If a family disagrees with an action or inaction of HACSB, complaints will be referred to the Housing Management Department. Complaints regarding physical condition of the units may be reported by phone to the Maintenance Department.

**Complaints from staff** If a staff person reports a family is violating or has violated a lease provision or is not complying with program rules, the complaints will be referred to the Housing Management Specialist.

**Complaints from the general public** Complaints or referrals from persons in the community in regard to HACSB or a family will be referred to the Housing Management Specialist.

Anonymous complaints will be checked whenever possible.



## **13.2 APPEALS BY APPLICANTS**

### **INFORMAL HEARINGS FOR APPLICANTS**

#### **OVERVIEW**

When HACSB makes a decision that has a negative impact on an applicant family, the family is often entitled to appeal the decision. For applicants, the appeal takes the form of an informal hearing. HUD regulations do not provide a structure for or requirements regarding informal hearings for applicants except with regard to citizenship status. This part discusses HACSB's policies necessary to respond to applicant appeals through the informal hearing process.

#### **INFORMAL HEARING PROCESS**

Informal hearings are provided for applicants. Informal hearings are intended to provide a means for an applicant to dispute a determination of ineligibility for admission to a project. Applicants to Public Housing are not entitled to the same hearing process afforded tenants in HACSB's grievance procedure.

Informal hearings provide the applicant a means to hear the details of the reasons for rejection, and an opportunity to present evidence to the contrary if available, and to claim mitigating circumstances if possible.

#### **Notice of Denial**

HACSB will give an applicant prompt notice of a decision denying eligibility for admission. The notice will contain a brief statement of the reasons for HACSB decision, and will also state that the applicant may request an informal hearing to dispute the decision. The notice must describe how to obtain the informal hearing.

Applicants who are determined ineligible, who do not meet HACSB's admission standards, or where HACSB does not have an appropriate size and type of unit in its inventory will be given written notification promptly, including the reason for the determination and offering them an opportunity for an informal hearing.

Applicants must submit their request for an informal hearing in writing to HACSB within 7 business days from the date of the notification of their ineligibility.

If the applicant requests an informal hearing, HACSB will schedule an informal hearing within 7 business days of receiving the request. HACSB will notify the applicant of the place, date, and time. The hearing may only be rescheduled once.

Informal hearings will be conducted by an impartial hearing officer. The person who is designated as the hearing officer cannot be the person who made the determination of ineligibility or a subordinate of that person.

The applicant may bring to the hearing any documentation or evidence s/he wishes and the evidence along with the data compiled by HACSB will be considered by the hearing officer.

The hearing officer will make a determination based upon the merits of the evidence presented by both sides. Within 7 business days of the date of the hearing, the hearing officer will mail a written decision to the applicant and place a copy of the decision in the applicant's file.

The grievance procedures for Non-HUD tenants do not apply to HACSB determinations that affect applicants.

### **13.3 GRIEVANCE PROCEDURES**

The Grievance Procedure is established by HACSB to assure that its residents are given an opportunity for a grievance hearing in compliance with Health and Safety Code section 34331 (g). The Health and Safety Code require that HACSB afford the resident a grievance hearing prior to filing an eviction action for property damage.

HACSB does not afford the grievance procedure to tenants prior to serving an eviction notice resulting from:

- Any other lease non compliance; or
- Any grievance concerning a termination of tenancy or eviction that involves any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other residents or employees, or any drug related criminal activity on or near the premises;
- Disputes between residents not involving HACSB;
- Class grievances; or
- Initiation or negotiation of policy changes between a group or groups of residents and HACSB.

#### **Definitions**

The following definitions apply to this Grievance Procedure:

- **Grievance** - means any dispute that a resident may have with respect to HACSB in accordance with this Grievance Procedure.
- **Complainant** – means any resident whose grievance is presented to HACSB in accordance with this Grievance Procedure.
- **Hearing Officer** – means a person selected in accordance with this Grievance Procedure to hear a grievance and render a decision with respect thereto.
- **Resident** – means any adult lessee, or the remaining head of the household if there is no lessee, or a resident family residing in a dwelling unit owned or leased by HACSB.

Any grievance must be presented, in writing, to HACSB's main office within (7) days of HACSB's action or failure to act which is the basis for the grievance. It may be simply stated, but shall specify the particular ground(s) upon which it is based and shall state that reasonable good cause does not exist for proceeding with the eviction.

#### **Escrow Deposit**

Before a hearing is scheduled in any grievance involving the amount of contract rent, which HACSB claims is due, the Complainant shall pay to HACSB an amount equal to the amount of the rent and payable as of the first of the month preceding the month in which the act or failure to act took place. The Complainant shall deposit the same amount of the monthly rent in an escrow account and monthly thereafter until the grievance is resolved by decision of the Hearing Officer or Hearing Panel. The instruction to said escrow holder shall provide that the funds deposited shall be paid as ordered by the Hearing Officer or Hearing Panel, or the Board of the Commissioners of HACSB if the decision of the Hearing Office or Hearing Panel is vacated. These requirements may be waived by HACSB in extenuation circumstances. Unless so waived, the failure to make such payments within seven (7) days of filing a written request for hearing shall result in termination of the Grievance Procedure.

### **Selection of Hearing Officer or Hearing Panel**

Grievances shall be presented before a Hearing Officer. A Hearing Officer shall be selected as follows:

- The Hearing Officer shall be an impartial, disinterested person selected by HACSB.
- Efforts will be made to assure that the person selected is not a friend, nor enemy, of the complainant and that they do not have a personal stake in the matter under dispute, or will otherwise have an appearance of a lack of impartiality.

### **Schedule of Hearing**

Upon complainant's request for a hearing as outlined in the Grievance Procedure, a hearing shall be scheduled promptly by the hearing officer for a time and place reasonably convenient to both the complainant and HACSB. A written notification specifying the time, place and procedures governing the hearing shall be delivered to the complainant and the appropriate HACSB official. Upon written request of either party, the hearing officer may continue the hearing for a reasonable period.

### **Procedures Governing the Hearing:**

The hearing shall be held before a hearing officer. The hearing officer will have the right to regulate all matters of procedure, evidence and conduct related to the hearing.

Both parties shall be afforded a fair hearing providing the basic safeguards of due process which shall include:

- The opportunity to examine and copy before the hearing, at the expense of the examining party, all documents, records and regulations of the other party that are relevant to the hearing. Copies will be available at a cost of \$0.25 per page;
- The right to be represented by counsel or other person chosen as a representative;
- The right to a private hearing unless the complainant requests a public hearing. This will not be construed to limit the attendance of witnesses, HACSB personnel, or persons whose attendance is requested by the complainant;
- The right to present evidence and arguments in support of their position, to controvert evidence relied on by the other party, and to confront and cross examine all witnesses on whose testimony or information the other party relies; and
- A decision based solely and exclusively upon the facts presented at the hearing.

### **Failure to Appear**

If the complainant or HACSB fails to appear at a scheduled hearing, the hearing officer may make a determination to postpone the hearing for not to exceed five (5) business days or may make a determination that the party not appearing has waived his/her right to a hearing. Both the complainant and HACSB shall be notified of the determination by the hearing officer.

### **General Procedures**

At the hearing, the complainant must first make a showing of an entitlement to the relief sought and thereafter HACSB must sustain the burden of justifying HACSB action against which the grievance 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 grievance may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The hearing officer shall require HACSB, the Complainant, counsel or 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.

The complainant or HACSB may arrange in advance and 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**

HACSB will provide reasonable accommodation for persons with disabilities to participate in the hearing, including qualified sign language interpreters, readers, accessible locations, or attendants. If the resident is visually impaired, any notice to the resident pursuant to this Grievance Procedure will be in an accessible format.

### **Decision of the Hearing Officer**

The hearing officer shall prepare a written decision, stating the reasons for the decision, within a reasonable time after the hearing, normally within seven (7) business days. Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing. A copy of the decision, with all names and identifying references deleted, shall also be maintained on file by HACSB and made available for inspection by a prospective resident complainant, his/her representative, or the hearing officer.

The decision of the hearing officer shall be binding on HACSB which shall take all actions, or refrain from any actions, necessary to carry out the decision unless the HACSB Board of Commissioners within a reasonable time, normally within twenty-one (21) days, vacates the decision.

If the Executive Director or his/her designees believes there are sufficient grounds to vacate the decision, he/she shall present the written record of the grievance to the HACSB Board of Commissioners at the next regular meeting and schedule a new hearing for the meeting. The Board may vacate the decision of the Hearing Officer if, after reviewing the record and hearing the evidence, it determines that either:

- The grievance does not concern the HACSB action or failure to act in accordance with or involving the complainant's lease or HACSB regulations, which adversely affect the complainant's right, duties, welfare or status; and
- 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 HACSB.

The complainant will be notified promptly of the Board's decision.

## Chapter 14

### FAMILY DEBTS TO THE HACSB

#### **INTRODUCTION**

This Chapter describes HACSB's policies for the recovery of monies which have been underpaid by families and the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is HACSB'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 HACSB'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.

When an action or inaction of a resident family results in the underpayment of rent or other amounts, HACSB holds the family liable to return any underpayments to HACSB.

HACSB will enter into repayment agreements in accordance with the policies in this chapter as a means to recover overpayments. A repayment agreement refers to a formal document signed by a tenant and HACSB in which a tenant acknowledges a debt in a specific amount and agrees to repay the amount due in specific sums and at specific time periods.

When families owe money to HACSB, and refuse to repay the monies, HACSB will use a variety of other collection methods to recover debts including, but not limited to:

Civil suits

Collection agencies

Credit bureaus

State Income tax set-off program (IRS Interagency Intercept Collections)

#### **14.1 REPAYMENT AGREEMENT FOR FAMILIES**

A Repayment Agreement as used in this Plan is a document entered into between HACSB and a person who owes a debt to HACSB. 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 HACSB upon default of the agreement.

The maximum amount for which HACSB will enter into a repayment agreement with a family is \$5,000.00.

The maximum length of time HACSB will enter into a repayment agreement with a family is 36 months.

The minimum monthly payment for any repayment agreement is \$25.00.

Exception to any of the above must be approved by the Director of Housing Management.

#### **Payment Schedule for Monies Owed to HACSB**

There are some circumstances in which HACSB will not enter into a repayment agreement. They are:

- If the family already has a payment agreement in place.
- If HACSB determines that the family has committed program fraud.

- If HACSB determines that the debt, due to fraud or failure to report income, is so large that it would take more than 36 months to repay.

### **Guidelines for Payment Agreements**

Payment agreements will be executed between HACSB and the head of household, co-head and spouse.

No transfer will be approved until the debt is paid in full unless the transfer is the result of the following causes, and the payment agreement is current:

Family size exceeds the maximum occupancy guidelines

A natural disaster

### **Additional Monies Owed**

If the family has a payment agreement in place and incurs an additional debt to HACSB:

HACSB will not enter into more than one payment agreement at a time with the same family.

### **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 repayment agreement is in arrears, HACSB will:

Require the family to pay the balance in full

Pursue civil collection of the balance due

Terminate tenancy

## **14.2 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.

### **Program Fraud**

Families who owe money to HACSB due to program fraud will be required to repay in accordance with the guidelines in this Chapter.

If a family owes an amount which equals or exceeds \$5,000.00 as a result of program fraud, the case will be referred to the Inspector General. Where appropriate, HACSB will refer the case for criminal prosecution.

### **Payment Procedures for Program Fraud**

Families who commit program fraud will be subject to the following procedures:

The maximum time period for a payment agreement will be 36 months.

The family will be required to pre-pay 1/3 of the amount owed prior to or upon execution of the payment agreement.

The minimum monthly payment will be \$ 25.00.

**14.3 WRITING OFF DEBTS**

Debts may be written off if:

The debtor's whereabouts are unknown and the debt is more than 1 year old.

A determination is made that the debtor is judgment proof.

The debtor is deceased.

The debtor is confined to an institution indefinitely or for more than 1 year.

The amount is less than \$75.00 and the debtor cannot be located.

## Chapter 16

### GLOSSARY

#### 16.1 TERMS USED IN DETERMINING RENT

##### ANNUAL INCOME

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. W

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 CFR 913.106(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**

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 HACSB, 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, and resident initiatives coordination. 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**

Adjusted Income is defined as 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 HACSB 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 HACSB 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.

## 16.2 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 HACSB and approved by HUD under which HACSB 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.

**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 HACSB 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 PERSON.** A person who is any of the following:

A person who has a disability as defined in section 223 of the Social Security Act. (42 USC 423).

A person who has a physical, mental, or emotional impairment that:

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 ability to live independently could be improved by more suitable housing conditions.

A person who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

**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.

**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)).

**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 another person who is determined to be essential to his/her care and well being.

**ELDERLY PERSON.** A person who is at least 62 years old.

**ELIGIBLE FAMILY (Family).** A family is defined by HACSB 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 income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

**FAMILY.** The applicant must qualify as a family as defined by HACSB.

**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 an PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

**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 "HA" includes an Indian housing authority (IHA). ("PHA" and "HA" 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.

**INCOME.** Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

**INCOME FOR ELIGIBILITY.** Annual Income.

**INCOME TARGETING.** The HUD admissions requirement that HAs 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 ATTENDANT.** 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 HACSB to select among applicant families without regard to their date and time of application.

**LOW-INCOME FAMILY.** A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. For admission to the certificate program, HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

**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 HACSB 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 HACSB program, and is currently assisted in the program.

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

**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 "HA" mean the same thing.)

**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.

**RESPONSIBLE ENTITY.** For the public housing, Section 8 tenant-based assistance, project-based certificate assistance and moderate rehabilitation program, the responsible entity means HACSB 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.

**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 HACSB.

**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.** HACSB'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 was described as a lower-income family which included eight or more minors. This term is 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 therefrom 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.

### **16.3 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.

**HA.** 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 (HACSB).

**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.

## Chapter 15

### HOME FUNDS

#### **INTRODUCTION**

HOME is the largest Federal block grant to State and local governments designed exclusively to create affordable housing for low-income households. HACSB Non-HUD properties that receive HOME funds are subject to additional affordability criteria not previously outlined in this policy.

HOME-assisted units in rental housing projects must be occupied only by those households that are qualified as low-income families and additionally must meet the following Rent Limitation criteria:

#### **15.1 RENT LIMITATIONS**

The maximum HOME rents as determined by HUD are the lesser of:

1. The fair market rent for existing housing for comparable units in the area as determined by HUD.
2. A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the area median income as determined by HUD.

#### **Additional Rent Limitations**

In those projects with five or more HOME-assisted rental units, twenty (20) percents of the HOME-assisted rental units must be occupied by very low-income families and meet one of the following requirements:

- Rent does not exceed 30 percent of the annual income of a family whose income equals 50 percent of the median income for the area, as determined by HUD. However, if the rent determined under this paragraph is higher than the applicable rent under the above Rent Limitations, then the maximum rent for units under this paragraph is that calculated under the Rent Limitations section.
- The rent does not exceed 30 percent of the family's adjusted income. If the unit receives Federal project based rental subsidy and the very low income family pays no more than 30 percent of their adjusted income as their rent contribution then the maximum rent is the rent allowable under the project-based rental subsidy program.

#### **15.2 UTILITY ALLOWANCES**

HUD program requirements dictate that HACSB annually review utility allowances and make any necessary adjustments due to any significant rate increase over the most recent year. Utility allowances

are deductions from gross rent that tenants receive for tenant paid utilities, and they are calculated based on conservative utility usage.

For those HOME-assisted units subject to the maximum rent limitations and for which the tenant is responsible for paying utilities, the rents must not exceed the maximum rent minus the monthly utility allowance.

### **15.3 PERIODS OF AFFORDABILITY**

Home-assisted units must meet the affordability requirements for a term not less than what is outlined in the affordability covenants specific to each property. Affordability requirements can range from 5 years to 20 years.

#### **Rents During Affordability Periods**

HUD periodically recalculates the maximum HOME rent limits. Should HUD determine that the maximum rents are lower than those in effect at the time of the project commitment of HOME funds HACSB is not required to lower its established rents.

### **15.4 RENT INCREASES**

In the case that HACSB determines that a rent increase in their HOME-assisted units is warranted in accordance with HUD's published maximum rents, HACSB must provide tenants not less than a 30 day written rent increase notice.

One eligibility criteria for HOME-assisted units is income eligibility. The income of each tenant or each household member must be determined initially in accordance with Chapter 6 of this policy. In addition, each year during the term of the affordability period HACSB must re-examine each tenant's or household member's annual income in accordance with Chapter 6 of this policy.

HACSB will, on the anniversary date of a tenant's initial occupancy, send a statement and certification of household composition and income to each HOME-assisted unit. This certification must be filled out and signed by each adult household member and returned to HACSB within the time frame indicated.

Every five years HACSB will schedule tenants residing in HOME-assisted units for a complete income and asset review to determine ongoing eligibility. In the event that HACSB has evidence or questions the accuracy of a tenant's annual income certification, HACSB has the right to require the tenant family in question to attend a full review.

### **15.5 OVER-INCOME TENANTS**

If it is determined that a tenant in a HOME-assisted unit no longer qualifies as a low-income family, these families must pay the lesser of a rent that does not exceed the market rent for comparable, unassisted units or 30 percent of the family's adjusted income.



**15.6 LEASE TERMS**

The initial lease term for a tenant in a HOME-assisted unit must be a minimum of one year.

## EXHIBIT I

### INCOME LIMIT SCHEDULES

#### Schedule of Income Limits fixed by the Housing Authority for its Non-HUD Housing Program

##### A. GENERAL

Limits for admission: Income eligible families are defined as those whose income does not exceed 80% of the area median income (AMI) as defined by HUD. The Housing Authority's Non-HUD housing program is generally designed for families whose income is between 50% and 80% of AMI so that they have the ability to assume the minimum financial responsibility (i.e. pay a particular rent amount) required for this program's solvency.

##### B. EXCEPTIONS

###### 1. GENERAL EXCEPTION

At the discretion of the Director of Housing Programs, families whose income exceeds the maximum income limit may be accepted into the program to meet the current objectives of the Housing Authority and the community. Families receiving this exception may not exceed 90% of AMI.

###### 2. HOUSING CHOICE VOUCHER PARTICIPANTS

Families whose income is below 50% of median income but who are holding a Housing Choice Voucher (HCV), may be admitted as the HCV allows them to assume the minimum financial responsibility required for this program.

###### 3. CASA DE LAS FUENTES:

a. Limits for admission 9 of the 18 studios at Casa de las Fuentes shall be 60% of AMI as periodically published by the City of Santa Barbara.

b. Limits for admission for (1) one-person households (excepting those required per B.1. above) shall not exceed 80% of AMI as periodically published by the City of Santa Barbara.

c. Limits for admission for (2) two-person households (excepting those required per B.1. above) shall not exceed 120% of AMI as periodically published by the City of Santa Barbara.

**EXHIBIT II**

**RENT SCHEDULES**

(Not applicable to manager designated units)

**A. GENERAL**

<b>AMI %</b>	<b>Studio</b>	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>	<b>5 Bedroom</b>
101-120%	\$ 1,380	\$ 1,560	\$ 1,815	\$ 2,160	\$ 2,415	\$ 2,675
81-100%	\$ 1,150	\$ 1,300	\$ 1,512	\$ 1,800	\$ 2,015	\$ 2,230
61-80%	\$ 960	\$ 1,080	\$ 1,260	\$ 1,500	\$ 1,680	\$ 1,860
51% -60%	\$ 800	\$ 900	\$ 1,050	\$ 1,250	\$ 1,400	\$ 1,550
Hardship	\$ 550	\$ 650	\$ 750	\$ 850	\$ 950	\$ 1,050

The maximum rent for the Housing Authority Non-HUD Housing Program shall not exceed 110% of the current HUD published Fair Market Rent (FMR), or exception rent as approved by HUD. Units assisted under the Housing Choice Voucher (HCV) program may on occasion have a rent in excess of published FMR or exception rent as a result of an annual adjustment pursuant to HCV program guides. No deductions will be made for tenant paid utilities allowance.

Rent schedule will be reviewed annually and will be adjusted as necessary based on HUD published Fair Market Rents or exception rents approved by HUD. Studio rents for the 60% AMI unit tier will be set by calculating, 30% of the 60% AMI for 1 person, divided by 12 months. Each AMI tier will then be established by adding 1.2% to the studio rent, for each additional bedroom. In addition, within the same bedroom sizes, rent tiers for the increased AMI will change by a factor of 1.2%.

\*Rents for units restricted by HOME funds, will not exceed the applicable HOME fund LOW or HIGH HOME rents as established annually by HUD.

**B. CASA DE LAS FUENTES (EXCEPTIONS)**

**Unit Size**

**Rent\*\***

Studio \$678	Rent for (9) nine studio units, including utilities shall not exceed (1/12) one twelfth of thirty percent (30%) of the then current AMI of a household of (4) four, multiplied by .60 (the Unit Size Adjustment Factor). This number shall then be multiplied by the Target Income Percentage of sixty percent (.60). $((\text{Median Income} \times .60) \times .3) / 12 = X \quad X \times .6 = \text{Rent}$
Studio \$904	Rent for (9) nine studio units, including utilities shall not exceed (1/12) one twelfth of thirty percent (30%) of the then current AMI of a household of (4) four, multiplied by .60 (the Unit Size Adjustment Factor). This number shall then be multiplied by the Target Income Percentage category of eighty percent (.80). $((\text{Median Income} \times .6) \times .3) / 12 = X \quad X \times .8 = \text{rent}$
1 \$1131	Rent for the (24) twenty-four one bedroom units, including utilities shall not exceed (1/12) one twelfth of thirty percent (30%) of the then current AMI of a household of (4) four, multiplied by .75 (the Unit Size Adjustment Factor). This number shall then be multiplied by the Target Income Percentage category of eighty percent (.80). $((\text{Median Income} \times .75) \times .3) / 12 = X \quad X \times .8 = \text{rent}$

If resident owns, leases, or controls a vehicle, rent shall include an additional \$50 per month.

If the tenant pays for any utilities, the maximum rent shall be reduced by the amount of the “utility allowance” for those utilities as established and periodically revised by the Housing Authority of the City of Santa Barbara.

\*\* In the event that an existing tenant household’s income exceeds the project’s 80/120% income restriction as determined pursuant to Section V.A. herein, the Housing Authority may increase the rent to 30% of the tenant’s gross household income.

**EXHIBIT III**

**SECURITY DEPOSITS**

The amount of the security deposit shall be one month's contract rent, or the following, **whichever is higher**:

<b><u>Unit size</u></b>	<b><u>Minimum Security Deposit</u></b>
Studio	\$800*
1 bedroom	\$900*
2 bedroom	\$1050*
3 bedroom	\$1250*
4 bedroom	\$1400*
5 bedroom	\$1550*

\*Pursuant to California Civil Code Section 1950.5, should any of these dollar figures exceed an amount or value in excess of an amount equal to two month's rent, then the security deposit shall be limited to no more than two month's rents.