

**TOWN OF CHAPEL HILL DEPARTMENT OF HOUSING ADMISSIONS AND  
CONTINUED OCCUPANCY POLICY**

**SECTION I. - INTRODUCTION**

The mission of the Department of Housing is to provide decent, safe, and affordable rental housing for low-income families. Our mission is also to provide programs and services to help public housing families improve basic life skills and achieve economic independence.

The purpose of the Admissions and Continued Occupancy Policy is to establish guidelines to be followed when determining eligibility for admissions and continued public housing occupancy. The basic guidelines for the Admissions and Continued Occupancy Policy are governed by requirements of the U. S. Department of Housing and Urban Development (HUD) and local policies and procedures.

**SECTION II. FAIR HOUSING**

The Department of Housing shall not, on the account of race, age, creed, color, sexual preference, familial status, handicap, disability, national origin, or religion deny any family the opportunity of applying or leasing a dwelling suitable to meet its needs.

In accordance with Section 504 and the Fair Housing Amendments Acts of 1988, the Department of Housing shall make reasonable structural modifications or reasonable accommodations to allow persons with disabilities to take full advantage of the housing program.

Applicants with impaired vision may have the application, lease and other documents read aloud to them; an interpreter is available for the hearing impaired.

**SECTION III. ADMISSION AND LEASING PROCEDURES**

Families wishing to apply for Public Housing are required to complete an application and other required forms. All applications must be signed and dated by the applicant and spouse, and all adult family members.

Applications are accepted Monday through Friday from 8:30 a.m. to 5:00 p.m. (except holidays) at 317 Caldwell Street Extension, Chapel Hill, North Carolina 27516.

Individuals who have a physical impairment which would prevent them from completing an application in person may call the Town of Chapel Hill Housing Department to make special arrangements to complete their application. A telecommunication device for the deaf (TTY) is available at telephone number 919-968-2101.

Every application constitutes the basic record which supports the Department's determination of eligibility status, rent, and size of unit for which the applicant qualifies. The Application for Admission also constitutes the basis for establishing the applicant's priority status for selection. The following procedures shall be followed when processing applications:

**January 22, 2015**

- a. All entries by applicants and department personnel are to be in ink or typed.
- b. Any changes are to be made by drawing a single line through the original entries and entering the correct data. The reason each change shall be noted in record, and then shall be dated and initialed by the person making the change.
- c. The date and time of receipt of each Application for Admission shall be shown on the appropriate line.
- d. When applicant and interviewer have verified that the application is complete, the application will be stamped in. -No question shall be left unanswered.
- e. If the applicant is determined to be ineligible, he/she is informed in writing the reasons for the determination. The applicant upon request, and within a reasonable time after the determination is made, shall be given an opportunity for an informal grievance hearing on such determination. If after the hearing the applicant is determined to be ineligible, the application shall be classified as "ineligible" and documented to show when and how the applicant was informed and the reasons for ineligibility.
- f. Active applications and all supporting material are to be kept current at all times and shall be arranged at the Town of Chapel Hill Housing Department alphabetically.
- g. A computerized file, arranged by selection preference, bedroom size, date and time of application shall be maintained.

All active applications shall be purged yearly. Letters shall be sent to each applicant informing them that unless he confirms his/her continued interest by returning the Annual Update Application within a specified length of time, his/her application will be removed from the active applicant files.

Undelivered letter shall be attached to applications as evidence of unsuccessful efforts to locate applicants. Each application that has been removed from the active files shall be documented with the date of removal, the reason for removal, and the initials of the person who made the determination.

Whenever a change occurs in a family income or composition so that their status may be reevaluated, the family should contact the Town of Chapel Hill Housing Department at (919) 968-2850. Some families may not qualify for a higher position on the waiting list when they first applied for public housing if there is a change in preference status while on the waiting list. Applicants whose preference status changes and are on the waiting list will retain their original date and time of application. If Town of Chapel Hill Housing Department determines that the family does now qualify for a preference, they will be moved up on the waiting list in accordance with their preference(s) and their date and time of application.

#### **SECTION IV. Applicant Screening and Eligibility Criteria**

The Department of Housing shall admit as tenants of its low-rent developments, applicants who, at the time of admission, meet all of the following requirements:

- a. Qualify as a family as defined in Definition of Terms;
- b. If single, whether capable of living independently;
- c. Meet HUD requirements on citizenship or immigration status;
- d. Provides documentation of Social Security numbers for family members age 6 or older or certifies that they do not have Social Security numbers;
- e. Whose total annual family income at time of admission that does not exceed 80% of the area median;
- f. Head of household is at least 18 years old;
- g. Whose net family assets together with the net income of the family are insufficient to obtain and maintain adequate accommodations on the private market;
- h. Whose family composition conforms to the occupancy standards that are appropriate to the vacant unit;
- i. Have not at any displayed abusive, harassing, or violent behavior towards any Town staff, and/or residents;
- j. Whose past performance in meeting financial obligations, especially rent, is satisfactory;
- k. Who has no record of neighborhood disturbances, destruction of property, living or housekeeping habits from prior residences that would adversely affect the health, safety or welfare of other tenants;
- l. Who has no record of criminal activity involving crimes of physical violence to persons, property which would adversely affect the safety or welfare of other tenants;
- m. Who has no record (in the past 15 years) of illegal drug activity except for Methamphetamine;
- n. Who do not owe rent or other charges to any Public Housing Agency or to any Section 8 Program. If the applicant owes the Town of Chapel Hill Housing Department or any assisted housing program money from previous occupancy (move-out balance debt), this debt must be paid prior to the applicant's application being processed for housing; and
- o. Were not previously evicted.

## **Disqualifying Events**

In accordance with federal rules, the Department of Housing is required to establish standards that prohibit admission of applicants who have engaged in certain criminal activities outlined below. Admission is also prohibited if the Department determines that:

- Any household member is currently engaging in illegal drug use: or
- Has reasonable cause to believe that a household member's illegal use, or pattern of illegal use of a drug, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

The following chart summarizes the exclusionary periods of ineligibility for admissions to the public housing program, based on criminal activities:

<b>CRIMINAL ACTIVITY</b>	<b>EXCLUSIONARY PERIOD</b>
Registered Sex Offenders	LIFE
Manufacturing Methamphetamine	LIFE
Felony Drug Possession with intent to sell, manufacture or distribute, trafficking	10 YEARS
Felony-Assault	7 YEARS
Felony-Larceny	7 YEARS
Burglary	7 YEARS
Drug Possession	5-7 YEARS
Felony- Fraud	3 YEARS
Misdemeanor- Larceny(shoplifting)	2 YEARS
Misdemeanor-Assault	1 YEAR
Trespassing	1 YEAR

## **SECTION V. Verification and Documentation of Application Information**

It is imperative to verify all claims made by each applicant so that proper determinations can be made regarding eligibility, rent and unit size needed. Complete and accurate documentation of all data must be maintained at all times; this includes, but is not limited to:

- a. Written information from reliable sources concerning income, exclusions, deductions, and exemptions shall be verified by the source from which it was derived; expenses shall be verified by the recipients of such payments.
- b. Reproductions or copies of documents which substantiate the claims of the applicant or a brief summary of the pertinent contents shall be signed and dated by the staff member who examined them. Government checks shall not be copied.

- c. Financial statements showing all income, itemized expenses (do not allow costs of business expansion and amortization or capital indebtedness) and net income of every self-employed person.
- d. Written records of all data obtained by telephone, personal interview, or other means, showing source of information, date and method received, and signature of person receiving information.
- e. Birth Certificates, driver's license, social security card, etc., to support claim of age in establishing preferences for admissions, exemptions for minors.
- f. Social Security disability award letters, Pensions and Social Security certification of total and permanent disability, or doctor's certification that all conditions of disability or handicap, as prescribed by Social Security definitions to support any claim of disability of handicap.
- g. Official notices to support any priority for displacement by government action.
- h. Documentation that an applicant, if claimed for priority purposes, actually occupies a dwelling which is unsafe, unsanitary or overcrowded; that applicant is actually without or about to be without housing through no fault of his own or that the applicant is paying over 50 percent of household income for shelter.
- i. Bank Statements, bankbooks, stock certificates, copies of tax returns on real estate, and registers of bonds to support claims to assets.

Procedures to verify information included on the application may include home visits, contact with landlords, employers, social workers, parole officers, review of court records, contact with drug treatment centers, the police department, physicians and clinics.

Applicants will be required to sign the Federal Privacy Act Statement that states under what conditions HUD will release tenant information. Requests for information by other parties must be accompanied by a signed release request in order for the Town of Chapel Hill Housing Department to release any information involving an applicant or participant, unless disclosure is authorized under Federal or State law or regulations (Reference HUD Form 9886).

If unfavorable information is obtained relative to the Department's selection criteria, 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 conduct in the future.

If the verified data used in determining an applicant's eligibility, preference rating, and rent to be charged is not more than ONE month old at the time an applicant is selected for admission and the applicant states that no change has occurred in his status, the data will be considered as reflecting the applicant's status at the time of admission. If data on file is more than three months old, inquiries are to be made of the applicant; replies are recorded to note any changes that may affect eligibility. Preference rating, rent and unit size are to be re-verified prior to leasing. If data on file is two months old, all information is to be re-verified and recorded.

## **Section VI. Readmission of Former Tenants**

The Department of Housing is not required nor obligated to assist applicants who were former public housing residents and who:

- owe the Department or any other federally subsidized housing program money;
- had a clear record of poor housekeeping or poor property maintenance, or
- were asked to move for repeated neighborhood disturbances and/or lease violations.

These applicants will be sent a letter informing them that they are not eligible because of their past record. They may submit an application when they no longer owe money to the Department. An applicant may request an informal hearing regarding the denial of their application.

If evidence is presented that the applicant has a past drug or alcohol dependency problem and has been rehabilitated and the appropriate staff determines that the evidence is sufficient, the applicant can be considered eligible and should be notified in writing.

If the applicant is a former head of household in public housing, who has a clear record of poor housekeeping or property maintenance; then evidence must include no less than 2 years of satisfactory tenancy somewhere else.

If the applicant is a former resident of public housing, but was not household head at the time of the problem, then the applicant cannot be held accountable for any money owed or poor property maintenance. If the applicant is readmitted, no extraordinary conditions can be set (i.e. extra inspections or reporting).

The Department shall not admit an applicant three years from the date of the eviction if a household member was previously evicted because of drug-related criminal activity. However, the household may be admitted if:

- The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised rehabilitation program.
- The circumstances leading to the eviction no longer exist (household member has died or is imprisoned).

Applicants who were previously evicted shall not be eligible for readmission.

## **SECTION VII. Tenant Selection and Application Pool**

The Department of Housing shall not, on the account of race, creed, sexual preference, family status, handicap, disability, national origin, or religion, deny any family the opportunity of applying for admission. Nor shall the Department of Housing deny to any eligible applicant the opportunity of leasing a dwelling suitable to its needs in any development of the Department.

In selecting tenants from among eligible applicant families of the size and composition appropriate to available dwelling units, the Department shall take into consideration the eligibility of individual families for low-rent housing, the statutory purpose in developing and operating a socially and financially sound low-income housing neighborhood that provides a decent home and suitable living environment that fosters economic and social diversity in the tenant body as a whole.

**Designated UFAS Accessible Units:** Accessible units will be first offered to families who may benefit from the accessible features. Applicants for these units will be selected utilizing the same preference system. If there are no applicants who would benefit from the accessible features, the units will be offered to other applicants in the order that their names come to the top of the waiting list. Such applicants, must accept a transfer if, at a future time, a family requiring the accessible features applies. Any family required to transfer will be given a 30-day notice.

Selection shall be made in such manner as:

- To avoid concentration of the most economically and socially deprived families in one or all of the neighborhood(s) managed by the Department.
- To preclude admission of applicants whose habits and practices reasonably may be expected to have a detrimental effect on the tenants of the neighborhood.
- To maintain a tenant body in each neighborhood composed of families with a broad range of incomes and rent-paying ability which is generally representative of the range of income of low-income families in the Department's area of operation as defined by State law.

Families may choose to be placed on the waiting list for a unit one bedroom size smaller than that designated on the chart. A family that chooses to occupy a smaller size unit must agree not to request a transfer until their family size changes.

### **Occupancy Standards**

It is the Department of Housing's policy that families of the appropriate size should occupy the units. The following standards shall determine the number of bedrooms required to accommodate each family without overcrowding or over housing the standards may be waived only when necessary to achieve or maintain full occupancy and after every effort has been made to stimulate applications from families appropriate to the existing vacancies.

#### Number of Persons

<u>Number of Bedrooms</u>	<u>Minimum</u>	<u>Maximum</u>
1	1	2
2	2	4
3	3	6
4	4	8

Exceptions to the maximum standards may be made in case of reasonable accommodations for a person with disabilities, emergencies, and at the discretion of the Director or designee. Further, the Department of Housing has the right to permit families exceeding the maximums shown above to occupy units when they request such occupancy, and when the Department of Housing determines that the unit in question is large enough.

Families will not be placed on the waiting list for a larger unit unless there is a verifiable medical reason or reasonable accommodation that requires that the family be placed in a larger size unit.

The order that applicants shall be selected is as follows:

- Applicants who reside within Orange County in the following order:
  - Applicants who are employed, disabled, or elderly
  - Applicants paying 50% of income for rent and utilities
  - Involuntarily displaced applicants
  - Veterans
  - Victim of Domestic Violence
- Applicants who reside outside of Orange County shall be selected in the same order as above.

### **Application Pool**

A central pool of eligible applications shall be maintained. An applicant shall be offered an appropriate unit when a vacancy occurs. If an offer is rejected, the applicant shall be offered a unit at another location if a vacancy exists.

If the applicants rejects **two** offers, his/her application shall be moved to the bottom of the waiting list. If applicant presents satisfactory evidence that acceptance of any offered unit will result in undue hardship that is NOT related to race, creed, national origin or religion, the refusal shall not count as a rejection.

Every application shall contain a record of every vacancy offered, identification of the project and unit and the date and circumstances of each offer, rejections and acceptance.

### **Organization of the Waiting List**

It is the Town Of Chapel Hill Housing Department's policy that each applicant shall be assigned his/her appropriate place on a waiting list in sequence based upon date and time the application is received, suitable type or size of unit, and factors affecting preference. Preference factors are established in this policy in accordance with HUD regulations and are consistent with the



objectives of Titles VI of the Civil Rights Act of 1974 and Title VII of the Civil Rights Act of 1968 and HUD regulations and requirements pursuant thereto.

The applicant must accept the vacancy offered within five (5) working days of the date the offer is communicated by mail.

The Town of Chapel Hill Housing Department will maintain a record of units offered, including location, date, and circumstances of each offer, and each acceptance or rejection, including the reason for the rejection.

Before offering a vacant designated UFAS accessible unit to a non-disabled applicant, the Town of Chapel Hill Housing Department will offer such units:

- First, to a current occupant of another unit of the same development under the Town of Chapel Hill Housing Department's control, having a disability that requires the special features of the vacant unit (in effect, a transfer of the occupant with disabilities from an un-adaptable unit to the vacant accessible/adaptable 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, the Town of Chapel Hill Housing Department will require the applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit. This requirement will be reflected in the lease agreement signed with the applicant.

If the applicant presents satisfactory evidence that acceptance of any offered unit will result in undue hardship that is NOT related to race, creed, national origin, or religion, the refusal shall not count as a rejection.

Every application shall contain a record of every vacancy offered, identification of the project and unit, and the date and circumstances of each offer, rejection, and acceptance.

### **Removal of Applicants from the Waiting List**

The Town of Chapel Hill Housing Department shall remove an applicant's name from the waiting list when:

- The applicant requests in writing that the name be removed;
- The applicant fails to respond to a written request for information or a request to declare their continued interest in the program (this includes mail undeliverable by the Postal Service which is returned to the Town of Chapel Hill Housing Department); or
- The applicant does not meet either the eligibility or suitability criteria for the program. Application forms from applicants removed from the waiting list will be destroyed three (3) years from date of removal.

## **Leasing**

Each lease shall specify the unit to be occupied, the size of the unit to be occupied, all family members who will live in the unit, the rent to be charged, other charges under the lease and the terms of occupancy. The lease shall be explained in detail to the applicant and his/her family PRIOR TO EXECUTION. The lease shall be kept current at all times.

The lease shall be signed in duplicate, PRIOR TO ADMISSION, by the head of household, the Housing Director or a representative of the Department. The original shall be retained by the Department and a copy shall be given to the tenant.

## **Inspections**

The tenant and a representative of the Department shall conduct a physical inspection of the dwelling unit assigned to the tenant at admission. Both shall complete and sign the Inspections Report; the Department shall retain the original. A similar inspection will be conducted at the time the tenant vacates the unit. The tenant may accompany the Department of Housing representative on the inspection. The inspections report shall serve as the basis for determining what maintenance charges are to be charged to the tenant.

## **SECTION VIII. ELIGIBILITY FOR CONTINUED OCCUPANCY, ANNUAL REEXAMINATION AND REMAINING FAMILY MEMBERS**

### **A. Eligibility for Continued Occupancy**

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

- If single, whether capable of living independently.
- Whose family composition conforms to the occupancy standards that are appropriate for the unit.
- Qualify as a family. For purpose of continued occupancy remaining family members qualify as a family. Remaining family members can also include court ordered emancipated minors under the age of 18.
- Are in full compliance with resident obligations and responsibilities as described in the lease.
- Whose family members, age 6 or older, have Social Security numbers, or have certifications on file indicating they have no Social Security number.
- Who are U. S. citizens or have eligible immigration status or a mixed family household.

### **B. Remaining Family Members and Prior Debt**

Remaining family members age 18 years or older will be held responsible for arrearages incurred by the former head or spouse. The Department will not hold remaining family members (other than the head or spouse) responsible for any portion of the arrearage incurred before the remaining member attained age 18.

**C. Annual Re-examinations:** The Department of Housing shall at least once a year, recertify the family composition and incomes of all public housing households. Families failing to respond to the initial reexamination appointment will be issued a final appointment. Failure to recertify will result in a notice of lease violation for termination of the lease.

**D. Flat Rent Re-examinations:** The Department of Housing shall recertify income only every three years, rather than annually, although they are still required to participate in an Annual Reexamination in order to ensure that unit size is still appropriate and Community Service requirements are met.

**Zero Income:** Residents reporting zero income will have their circumstances examined every 90 days. These residents shall be required to complete a household expense forms, estimating how much they spend on: food, beverages, transportation, health care, childcare, debts, household item, etc. This amount shall be used to determine household income and rent to be paid.

Tenants shall be notified in writing of any changes in rent amount and any misrepresentation or any lease violations revealed by the reexamination and the corrective actions to be taken.

**Misrepresentation:** If a tenant's misrepresentation at the time of admission or annual reexamination caused the tenant to pay lower rent that he/she should have paid, the tenant shall be required to pay the difference between the rent and the amount actually owed.

Tenant who have misrepresented their household income and we have determined a retroactive rent amount that is less than \$200, the tenant shall pay the full amount due during the next billing period. If the misrepresentation results in a retroactive rent amount that is more than \$200, a repayment agreement may be established. Under the terms of the repayment agreement, monthly payments shall be the greater of \$25 or the amount that shall not allow the repayment period to extend beyond the period of the misrepresentation (i.e. misrepresentation occurred for 12 months, and then the term of the repayment shall be for 12 months).

### Interim Rent Adjustments

Residents are required to report all changes in family composition or status within 10 calendar days of the occurrence. Failure to report with the 10 calendar days may result in a retroactive rent increase but not a retroactive credit or rent reduction. Complete verification of the circumstances applicable to rent adjustments must be documented. In order to qualify for rent reduction, residents must report income decreases promptly. The Town will process rent changes in accordance with the chart below:

INCOME CHANGE	DEPARTMENT ACTION
Decrease in income for any reason, except for decrease that lasts less than 30 days.	Upon receipt of confirmation of the decrease, the Department will process an interim

	reduction in rent if the income decrease will last at least 30 days. Decreases in rent resulting from interim rent reviews will be effective the first day of the month following report of change.
Increase in household income (employment, child support, new member, etc.)	Upon receipt of confirmation of the increase, the Department will process an interim increase in rent. Increases in rent resulting from interim rent reviews will be effective the first day of the second month following the change.
Increase in COLA	The Department will defer the increase to the next regular reexamination
Misrepresentation or failed to report facts upon which rent is based	The Department will process an interim increase in rent upon which rent is based and apply rent retroactive to the month following the month in which the misrepresentation occurred.

### **Additions to the Household and Visitors**

Only those persons listed on the most recent certification form and lease shall be permitted to occupy a dwelling unit except for natural births to or adoptions by family members, or court awarded custody, any family seeking to add a new member must request approval in writing before the new member moves in.

All persons listed on the most recent certification form and the lease must use the dwelling unit as their sole residence. When a resident requests approval to add a new person to the lease, the Department will conduct pre-admission screening of any proposed new adult member to determine whether the Department will grant such approval. Examples of situations where the addition of a family or household member is subject to screening are:

- Resident plans to be married and requests to add the new spouse to the lease;
- Resident desires to add a new family member to the lease, employ a live-in aide, or take in a foster child(ren)

Residents who fail to notify the Department of additions to the household or who permit persons to join the household without undergoing screening are violating of the lease. Persons added without the Department's approval will be considered unauthorized occupants and the entire household will be subject to eviction.

Visitors may be permitted in a dwelling unit so long as they have no previous history of behavior on the Department's premises that would be a lease violation. Visits of more than 14 calendar days shall be authorized only by the Director or designee with advance documentation of extenuating circumstances. Visitors remaining beyond this period shall be considered unauthorized occupants and the head of the household shall be guilty of a breach of the lease. Roomers and lodgers shall not be permitted to move in with any family. Violation of this provision is ground for termination of the lease.

## **SECTION IX COMMUNITY SERVICE REQUIREMENT**

The Department of Housing has implemented requirements regarding community service as required by the Quality Housing and Work responsibility Act of 1998.

To be eligible for continued public housing occupancy, each family member who is 18 or older (and not exempted as defined in the Community Service and Self-Sufficient Policy) must perform 8 hours of community service each month. Affected family members may choose to enroll in a self-sufficiency program in lieu of performing community service.

## **SECTION X. EARNED INCOME DISALLOWANCE**

**Earned Income Disallowance (EID):** The purpose of the Earned Income Disallowance (EID) is to encourage self-sufficiency by rewarding family member who go to work or earn additional income. Under the EID regulations, all or part of the additional income earned by these persons is temporarily excluded from annual income so that it does not produce a rent increase. There will be a two-year phase in period of any rent increase for a newly employed family. The phase in applies when income of newly employed families, (and have been unemployed for at least one year) increases and there is a resulting increase in rent and their rental contribution. For the initial 12-month period, the family's rent will not be increased. For the second 12-month period, the family's rent will be increased by the amount representing up to 50 percent of the total rent increase normally applicable in the absence of the provision. In the third year the balance of the rent increase can be phased in. The disallowance of increased income of an individual family member is limited to a lifetime 48-month period. It only applies for a maximum of 12-month exclusion period for a disallowance of 100% and a 12-month exclusion period for a disallowance of 50% during the 48-month period.

## **SECTION XI. ENTERPRISE INCOME VERIFICATION**

**Enterprise Income Verification (EIV)** Enterprise Income Verification is internet-based information maintained by HUD REAC used for verifying sources and amounts of income for tenants before or during a tenant recertification. EIV replaces Upfront Income Verification (UIV) system. Resident supplied income data is captured on Form HUD-50058 and maintained in the Public Housing Information Center (PIC) database, Department of Health and Human Services, National Directory of New Hires (NDNH) and Social Security (SS), Supplemental Security Income (SSI), from the Social Security Administration (SSA). The data provided via the EIV System must be protected to endure that it is only used for official purpose and not disclosed in any way that would violate the privacy of the individual presented in the system database. Under the Privacy Act, participants have the right to challenge the accuracy of

information maintained by the Federal government that concerns them. If a participant disputes the employment and or income information, the participant must contact the employer. If the information is correct, SSA must correct the information and resubmit it to the State, IRS and HHD. The employer is the originator of the data. If the participant disputes the SS/SSI Information, the participant must contact SSA. If the SS/SSI information is incorrect, SSA must correct the information and update its database. SSA is the originator of the database.

## **SECTION XII. Transfer**

Transfers shall be made without regard to race, creed, sexual preferences, family status, handicap, disability, religion, or national origin. The reexamination period provides an opportunity for the Department of Housing to review changes in family size and make a determination as to whether or not the size of the apartment is appropriate to the tenant's needs. If the apartment is no longer appropriate to the tenant's needs the tenant will be required to move to an apartment that is appropriate to the tenant's needs when an apartment becomes available.

If the tenant believes the size of the apartment is no longer appropriate, the tenant may request a transfer to an appropriate size apartment.

Insofar as possible, transfer to meet occupancy standards shall be made within the neighborhood. However, if the neighborhood has no units large enough or small enough for the family, the family shall be transferred to an appropriate unit in another neighborhood.

The order of priority for transfer is as follows:

- Health or handicap
- Apartment is too small
- Apartment is too large

Transfers shall be made as follows:

- Transfers shall not be made to apartments of equal size except for health reasons.
- If possible, transfer shall be made within tenant's current neighborhood.
- Transfers shall be made in accordance with the occupancy standards.
- Tenants determined to have documented tenant caused maintenance problems or other lease violations such as rent paying problems as evidence by proposed eviction action, may be denied transfers until the problem has been corrected.
- Needed transfers shall have priority over new admissions when solvency permits.
- Required transfers will occur in conjunction with comprehensive renovation work.

Residents will receive one offer of a transfer. Refusal of that offer without good cause will result in the removal of the household from the transfer list. The good cause standards applicable to new admissions shall apply to transfers.

## **XIII. Notice of Termination**

A Notice of Termination shall state the reasons for proposed eviction and inform the tenant of his/her right to an appeal. The tenant shall be informed of his/her right to an impartial hearing, except that no hearing will be offered for failure to pay rent unless all rent and other charges due are paid to the Department to be held in an escrow account until disposition of the hearing.

Lease terminations for certain actions are not eligible for the Grievance Procedure, specifically; any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other residents or Town employees; and any drug-related criminal activity.

A written record of every eviction shall be maintained by the Department and shall contain the following information:

- Name of resident and identification of unit occupied.
- Copy of Notice of Termination.
- Specific reason(s) for Notice of Termination. (For example: If a tenant is being evicted for a specific lease violation the record shall detail the lease violation for which the eviction has been instituted.)
- Summary of final action taken.

#### **SECTION XIV. Utilities**

Residents are responsible for paying the utility bill under the Lease. Failure to pay utilities is grounds for lease termination and eviction. Each resident will receive a monthly utility allowance that reflects a reasonable amount of utilities for the specific size and type of unit occupied. When a resident's Total Tenant Payment is less than the utility allowance, the Town will issue a utility reimbursement, equal to the difference between one month's total tenant payment and the utility allowance.

#### **SECTION V. FLAT RENTS**

Flat Rents are market-based rents. They vary by unit size and type and also by development location. Once a year, at the annual recertification, all residents are offered the choice of paying an income-based rent or the Flat Rent. Flat Rents represent the actual market value of the Town of Chapel Hill's housing units.

Flat Rents shall be at least equal to 80 of the current Fair Market Rent for the area.

The Town of Chapel Hill shall review the Flat Rent structure annually and adjust the rents as needed.

## **SECTION XV. Compliance with Equal Opportunity Requirements and Posting of Information**

There shall be maintained in the Department of Housing office waiting room a large bulletin board, which accommodates the following materials in such a manner as to be readily available to all visitors:

- a. Statement of Admission and Continued Occupancy Policies and Procedures
- b. Tenant Selection and Assignment Plan
- c. Directory of Projects including names, perimeter streets, number of units by bedroom size, number of units specifically designed for the elderly
- d. Statutory Minimum and Maximum Rent Schedule
- e. Income Limits
- f. Utility Allowance
- g. Current schedule of routine maintenance and other charges
- h. Grievance Procedure
- i. Fair Housing Poster
- j. Complaint Procedures (Form HUD 3053) with addresses to which complaints may be sent
- k. "Equal Opportunity in Employment" poster
- l. Tenant Oriented Notices



## SECTION XV. DEFINITIONS AND TERMS

1) Adjusted Family Income - Adjusted Income means the annual income less the following allowances in accordance with HUD instructions.

- a. \$400 for an elderly family
- b. \$480 for each dependent

2) Adult - A person who is at least 18 years old, or is under 18 and married (not common law), or a minor who has been emancipated by the court.3) Annual (Gross) Income - Annual income is the anticipated total income from all sources received by the family head and spouse (even if temporarily absent) and each additional member of the family, including all net income derived from assets, for the 12 month period following the effective date of initial determination or re-examination of income, exclusive of income that is temporary, nonrecurring, or sporadic. This includes but is not limited to the following:

- The full amount, before any payroll deduction, of wages, salaries, overtime pay, commissions, fees, tips, bonuses, and other compensation of personal services.
- The net income from operation of a business or profession. Expenditure for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets is used as provided in the Internal Revenue Service regulations. Any withdrawals 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.
- 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 deduction in determining net income. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family had Net Family Asset in excess of \$5000, Annual Income shall include the greater of 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, including a lump-sum payment for the delayed start of periodic payment.
- Payments in lieu of earnings such as unemployment and disability compensation, workers' compensation and severance pay.
- Welfare assistance.
- Periodic and determinable allowances received from persons not residing in the dwelling such as alimony, child support payments, and regular contributions or gifts.

- Any earned income tax credit to the extent that it exceeds income tax liability.

5) Annual Income – Annual income is the anticipated total income from all sources, including derived from assets, received by the family head and spouse (even if temporarily absent) and by each additional family member including all net income from assets for the 12-month period following the effective date of initial determination or reexamination of income.

5) Assets - The reasonable value as determined by the Department of interest therein of all realty and/or personal property, including imputed value of property that has been transferred within the 2 years preceding admission, and excluding household furnishing, insurance, occupational tools and automobiles. The following are considered asset:

- Checking and savings accounts
- Real Estate
- Stocks and Bonds

6) Child Care Deductions - Amount anticipated to be paid by the family for:

- Care for children under 13 years of age.
- The amount deducted shall reflect reasonable charges for child care in the case of care necessary to permit employment; the amount deducted shall not exceed the amount earned.
- When such care is necessary to enable a family member to be gainfully employed or to further his/her education.

7) Community Service - The performance of voluntary work or duties that are a public benefit that serve to improve the quality of life, enhance resident self-sufficiency or increase self-responsibility of a resident within the community in which the resident resides. Community service is not employed and may not include political activities.

8) Computing Rent - The first step in computing rent is to determine each family's Total Tenant Payment. Then, if the family the Utility Allowance is subtracted from the Total Tenant Payment. The result of this computation, if a positive number, is the Tenant Rent. If the Total Tenant Payment less the Utility Allowance is a negative number, the result is the utility reimbursement.

**Total Tenant Payment is the highest of:**

- **30% of adjusted monthly income;** or
- **10% of monthly income;** but never less than the
- **Minimum Rent;** and never more than the
- **Flat Rent, if chosen by the family**

8) 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 disabled person or handicapped person, or is a full-time student.

9) Disabled Family - A family whose head, spouse, or sole member is a person with disabilities as defined in 42 U.S.C. 423; or two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides. The Town of Chapel Hill Housing Department may verify a person's disability only to the extent necessary to ensure that applicants are qualified for the housing for which they are applying; that applicants are qualified for deductions used in determining adjusted income; that applicants are entitled to any preference they may claim; and that applicants who have requested a reasonable accommodation. A Town of Chapel Hill Housing Department may not require applicants to provide access to confidential medical records in order to verify a disability nor may the Town of Chapel Hill Housing Department require specific details as to the disability. The Town of Chapel Hill Housing Department may not ask what the specific disability is.

10) Displaced Family - A person or family who has been displaced by government 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.

12) Familial Status - A single pregnant woman and individuals in the process of obtaining custody of any individual who has not attained the age of 18 years are processed for occupancy (unit size) the same as single persons, and are only entitled to a one bedroom unit. Once the child is born and/or the custody is obtained, the family will qualify for a two-bedroom unit and authorized to transfer as outlined in the Transfer Section.

13) Family –

- a. A group of two or more persons related by blood, marriage or operation of law (including foster children) or who give evidence of a stable relationship which has existed over a long period of time and who live regularly together as a single household.
- b. Two or more unrelated individuals who live together as a single household
- c. An individual who has reached retirement age as defined in Section 216(a) of the Social Security Act (now 62, but any future amendments to the Act will apply to this definition); or is disabled as defined in Section 223 of the Social Security Act or in Section 102 (5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970.
- d. A single person who is not elderly or disabled.

14) Flat Rents – Rents based on the reasonable market value of public housing units. Flat rents shall be comparable to rent charged for similar apartments on the private market.

15) Flat Rent Annual Update – The Department of Housing shall review the Flat Rent Schedule annually and adjust the rents as needed. When a resident chooses Flat Rent, his/her rent shall be adjusted only at the next regular reexamination/recertification rather than at the point the Flat Rent may change.

15) Full-time Student - A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An

educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

16) Guest - Is anyone who is invited or allowed to enter the unit or be on the property by anyone named on the lease.

17) Handicapped Assistance Expenses - Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a Handicapped or Disabled family member and that are necessary to enable a family member (including the handicapped or disabled member) to be employed, provided that the expenses are neither paid to member of the family not reimbursed by an outside source.

18) Handicapped Person - A person with a physical or mental impairment is expected to be long, continued and indefinite duration, substantially impedes the ability to live independently and is of such nature that such disability could be improved by a more suitable housing condition.

19) Head of Household - The family member who is held responsible and accountable for the family and is normally considered to be the lessee.

20) Income Limits - The income limits established for Admission to its low-rent projects(s) are determined by HUD.

21) Interim Adjustments or Re-determination of Rent - Changes in rent which occur after admissions or reexamination and before the next succeeding reexamination. An interim adjustment may be requested by a resident because of a change in family circumstances or income.

22) Involuntary Displacement - An applicant is or will be involuntarily displaced if the applicant has vacated or will have to vacate his or her housing unit as a result of one or more of the following actions:

1. A disaster, such as fire or flood, that results in the inability to inhabit an applicant's unit.
2. Activity carried on by an agency of the United States, State, or local government body, agency in connection with code enforcement, public improvement or development programs or action by a housing owner that results in an applicant having to vacate his/her unit where:
3. The reason for the owner's action is beyond an applicant's ability to control or prevent.
4. The action occurs despite an applicant's having met all previously imposed conditions.
5. The action taken is other than a rent increase.
6. The applicant has vacated his or her housing unit as a result of actual or threatened physical violence directed against the applicant or one or more members of the applicant's family by a spouse or other member of the applicant's household.

7. The applicant lives in a housing unit with such an individual who engages in such violence.

23) Live-in Aide - is a person who resides with an elderly person, a near elderly person, or a person with disabilities for the purpose of providing supportive services. The income of a Live-in Aide is not included in the tenant's household income. Live-in Aides shall be required to meet the screening requirements as determined by the Department of Housing:

24) Medical Expenses - Those expenses, including medical insurance premiums that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance. For those 62 and over these expenses must be in excess of 3% of gross income.

25) Minimum Rent - The minimum rent amount shall be \$50.00.

26) Mixed Family - a household whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

27) Near-Elderly Family - A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62.

28) Occupancy Standards - The following standards shall determine the number of bedrooms required for accommodating each family without overcrowding or over housing the standards may be waived only when necessary to achieve or maintain full occupancy and after every effort has been made to stimulate applications from families appropriate to the existing vacancies.

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
1	1	2
2	2	4
3	3	6
4	4	8
5	5	10

29) Resident Rent Choice - Families may choose rental payments annually based on either a flat rent or the income-based rental method. Tenants may choose to pay the income-based rental payment, which does not exceed 30 percent of their adjusted monthly income.

30) Reexamination/Recertification Date -The date on which any rent change is effective or would be effective if required as a result of the annual re-examination of eligibility and rent. The Department of Housing has established reexamination dates according to the following schedule.

February 1	May 1	August 1	November 1
Oakwood	Trinity Court	Pritchard Park	Craig-Gomains
Rainbow Heights	Colony Woods West	Airport Gardens	Lindsay Street
South Estes Drive		S. Roberson Street	N. Columbia St

(98)	(70)	Eastwood Church/Caldwell (108)	(60)
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31) Recertification of Families on Flat Rents -

31) Spouse - The husband or wife of the head of household, or the partner in a stable relationship.

32) Temporary, Non-recurring and Sporadic Income - The following are not considered as income determining an Annual Income:

- Casual, sporadic and irregular gifts.
- Amounts that are specifically for or in reimbursement of the cost of medical expenses.
- Lump-sum additions to family asset, such as inheritance, insurance payments (including payments under health and accident insurance and workmen's compensation), capital gains and settlements for personal or property losses.
- Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the government to a veteran for use in meeting the cost of tuition, fees and books, and equipment. Any amounts of such scholarship, or payments to veteran, not used for the above purposes that are available for subsistence are to be included in income.
- Payments received for the care of foster children.
- Income from employment of children under 18 years of age.
- Relocation payments made pursuant to the Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies of 1970.
- The value of the coupon or the allotment provided to an eligible household for coupons under the Food Stamp Act of 1997.
- Payments to volunteers under the Domestic Volunteer Services Act of 1973.
- Payments received under the Alaska native Claims Settlement Act.
- Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program.
- Payments received from the Job Training Partnership Act.

33) Tenant Rent - The amount payable monthly by the family as rent to the Department of Housing. Tenant rent equals total tenant payment less the utility allowance.

34) Total Tenant Payment (TTP) - Total tenant payment shall be the highest of the following, rounded to the nearest whole dollar:

- 30% of monthly-adjusted income
- 10% of monthly income
- The current Minimum Rent

35) UFAS-Accessible Unit – A dwelling unit that can be approached, entered and used by individuals with disabilities, including individuals who use wheelchairs, and is located on an accessible route.

36) Utility Allowance - An amount equal to the estimate made or approved by the Department of Housing or HUD, of the monthly cost of a reasonable consumption of utilities (except telephone) and other services for the unit by an energy-conservative household of modest circumstance consistent with the requirements of a safe, sanitary and healthy living environment.

37) Utility Reimbursement - 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.

# APPENDIX

1. Assistance Animal Policy
2. Community Service and Self-Sufficiency Policy
3. Complaint Policy
4. Effective Communication Policy
5. Grievance Procedures
6. Lease Agreement
7. Nondiscrimination Policy
8. Pet Policy
9. Reasonable Accommodation Policy
10. Transfer Policy
11. Trespass Policy
12. Violence Against Women Act (VAWA) Policy