

# **STATEMENT OF POLICIES GOVERNING**

**Admission and Continued Occupancy Plan  
(ACOP)**

**For**

**The Oaks At Tenth**

**(Step Up Housing - Work Activity Requirement and ESR Preference)**

**The Housing Authority of the City of Winston-Salem**

CREATED: March, 2013

ADOPTED: April 9, 2013

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**PREAMBLE:** The Housing Authority of the City of Winston-Salem shall accept and process applications for housing in its developments from any family consistent with this Statement of Policies and without regard to race, creed, national origin, color, sex, age, disability, familial status or religion.

## **SECTION I. DEFINITIONS OF TERMS USED IN THE STATEMENT OF POLICIES**

A. Capitalization of Some Defined Terms: Some of the terms defined in this Section I are capitalized throughout the Statement of Policies and others are not. The definitions apply whether or not the defined terms are capitalized.

B. Definitions:

1. Adjusted Income: A family's Adjusted Income is its Annual Income less:

- a. \$480 for each dependent: This deduction applies to members of the family who have not reached their 18th birthday, to family members 18 and older who are disabled, and to full-time students in college or a vocational program. It does not apply to the head of household or spouse under any circumstances, regardless of age.
- b. \$400 for any Elderly Family (as that term is defined on page 9).
- c. Medical expenses in excess of three percent of Annual Income for any Elderly Family: These are medical expenses, including medical and dental insurance premiums, that are anticipated or actually expended during the period for which Annual Income is computed, that are not covered by insurance. Examples include dental treatments, transportation required for medical treatment, prescription and non-prescription medicines, eyeglasses and hearing aids and batteries. Medical expenses shall be verified in writing by the physician, dentist, hospital, pharmacist or other person providing the good or service. No non-verified medical expense shall be allowed as a deduction.
- d. Assistance expenses for Individuals with Disabilities in excess of three percent of Annual Income: These are expenses anticipated or actually expended during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a disabled family member, which expense is not covered by insurance. Such expense must be necessary to enable a family member (including the disabled family member) to be employed; however, the expense shall not exceed the additional income derived because such care is available. The expense shall not be paid to a member of the family.
- e. Child Care Expenses: Reasonable amounts anticipated to be paid or actually expended for the care of children under 13 years of age during the period for which Annual Income is computed, that are not paid or reimbursed by any third party. Such care must be necessary to enable a family member to be gainfully employed or to further his or her education and in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment. The expenses shall not be paid to a member of the family.

2. Annual Income:

- a. Annual Income is the anticipated total income from all sources received by the head of household and spouse (even if temporarily absent) and by all other members of the family for the 12-month period following the effective date of the initial determination or re-examination of income, exclusive of certain types of income as provided in subparagraph 2(c) below.
- b. Income includes, but is not limited to:

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips, bonuses and other compensation for personal services.
- (2) Net income from the operation of any business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be deducted in determining Annual Income; however, depreciation of assets used in the business or profession shall be deducted, based on straight line depreciation and as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession shall be included in Annual Income, except to the extent the withdrawal is for the reimbursement of cash or assets previously invested.
- (3) Interest, dividends, rent and any other income from the use of tangible or intangible assets. Expenditures for amortization of capital indebtedness shall not be deducted in determining Annual Income. An allowance for depreciation is permitted only as authorized in subparagraph 2(b)(2) above. Any withdrawal of cash or assets from an investment shall be included in Annual Income, except to the extent the withdrawal is for the reimbursement of cash or assets previously invested. Where the family has Net Family Assets in excess of \$5,000, Annual Income shall include the greater of the actual income derived from the Net Family Assets or a percentage of the value of the Net Family Assets based on the current passbook savings rate established by the Authority. The passbook savings rate is established within the safe harbor range plus or minus 0.75 percent of the national rate on an annual basis as of September 1<sup>st</sup> of each year. The Authority's passbooks savings rate will be set at HUD's minimum allowable percentage.
- (4) 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 lump-sum payments for the delayed start of a periodic payment.
- (5) Payments in lieu of earnings, such as unemployment, worker's compensation and severance pay (but see subparagraph 2(c)(3) below).
- (6) Welfare assistance. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance to be included as income shall consist of the amount of the allowance or grant not including the amount specifically designated for shelter and utilities, plus the maximum that the welfare assistance agency could in fact allow the family for shelter and utilities.
- (7) Periodic and determinable allowances, such as alimony, child support payments and regular contributions or gifts received from persons not residing in the dwelling.
- (8) All regular pay, special pay and allowances of a member of the Armed Forces who is head of the household or spouse (whether or not living in the dwelling), except special pay for exposure to hostile fire or that is deemed excluded under any HUD notice.
- (9) Any earned income tax credit to the extent it exceeds income tax liability.

c. Annual income does not include the following:

- (1) Income from employment of children (including foster children) under the age of 18 years.

- (2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the resident family, who are unable to live alone).
- (3) Lump-sum additions to family assets, such as inheritances, insurance payments (including lump-sum payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (but see subparagraph 2(b)(5) above).
- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
- (5) Income of a live-in aide.
- (6) 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 costs of tuition, fees, books, equipment, materials, supplies, transportation and miscellaneous personal expenses of the student. Any amount of such scholarship or payment to a veteran not used for the above purposes that is available for subsistence is to be included in Annual Income.
- (7) Special pay to persons serving in the Armed Forces who are exposed to hostile fire.
- (8) Special government programs, including:
  - (a) Amounts received from training programs funded by HUD;
  - (b) Amounts received by a disabled person that are disregarded for a limited time for the purpose of SSI eligibility and benefits because they are set aside for use under a Plan to Attain self-sufficiency (PASS); or
  - (c) Amounts received by a participant in other government programs which are specifically for or in reimbursement of out-of-pocket expenses (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program.
  - (d) Amounts received under a resident services stipend. A resident services stipend is a modest amount (not to exceed \$200.00 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but 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.
  - (e) HUD-funded training programs.
  - (f) Incremental earnings and benefits to any family member resulting from the participation in a program providing employment training and supportive services in accordance with the family Support Act of 1988, section 22 of the 1937 Act (42 U.S. C. 1937t), or any comparable Federal, State, or local law during the exclusion period. The exclusion period means the period during which the family member participates in a program described in this section.
  - (g) Earnings that are disallowed in accordance with the Mandatory Earned Income Disallowance Provision as stated in CFR 960.255. This disallowance does NOT apply for the purpose of admission to the program.
  - (h) Federally-mandated income exclusions.
- (9) Temporary, nonrecurring or sporadic income (including gifts).
- (10) The value of allotments provided to an eligible household under the Food Stamp Act of 1977.
- (11) Payments to volunteers under the Domestic Volunteer Services Act of 1973.

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. Reparation payments paid by a foreign government pursuant to claims filed under laws that government by persons who were persecuted during the Nazi era.

- (12) Earning in excess of \$480.00 for each full-time student 18 years or older (excluding the head of household and spouse).
  - (13) Adoption assistance payments in excess of \$480.00 per child.
3. Applicant: The head of the family applying for consideration for admission to low-rent public housing operated by the Authority.
  4. Authority: The Housing Authority of the City of Winston-Salem.
  5. Dependent: A member of the family (excluding foster children) other than the head of household or spouse, who is under 18 years of age, a Disabled Person, Individual with Disability or a full-time student.
  6. Development: A group of dwelling units owned and operated by the Authority located in a contiguous area.
  7. Disabled Person: A person who is under a disability, as defined in Section 223 of the Social Security Act (42 U.S.C. § 423) governing federal disability insurance, or a person who has a developmental disability as defined in Section 102(8) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. § 6001(8)). No individual shall be considered a person with disabilities, for purposes of eligibility for low-income housing under this title, solely on the basis of any drug or alcohol dependence.
  8. Displaced Person: A person displaced by governmental action or whose current housing has been extensively damaged or destroyed as a result of a disaster recognized under federal disaster relief law.
  9. Drug-related Activity: The illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute or use, of a controlled substance (as defined in Section 102 of the Controlled Substance Act (21 U.S.C. § 802)).
  10. Dwelling Unit: The residential space designated by the Authority for the private use of the Resident and his or her family.
  11. Elderly Family: A family whose head or spouse (or sole member) is an Elderly Person, a Disabled Person or an Individual with Disability (as those terms are defined in this Statement of Policies). An Elderly Family may include one or more Live-in Aides.
  12. Elderly Person: A person who is at least 62 years of age.
  13. Emancipated Minor: A minor who is married or who has been emancipated by court order.
  14. Experiment in Self Reliance (ESR) Transitional Housing Program Working Graduates: A person or family who has graduated from ESR's Transitional Housing Program, whose head of household is working and whose family meets the Authority's Working Activity Requirement as

defined in this plan.

15. Family: A group of one or more persons. The term "family" includes the following:
  - a. Two (2) or more persons who intend to share residency whose income and resources are available to meet the family's needs.
  - b. The remaining member(s) of a family if the head of household is no longer residing in the dwelling unit, so long as the remaining member(s) of the family were listed on the lease as of the most recent re-examination and one of them is at least 18 years of age.
  - c. A single Elderly Person, Disabled Person or Individual with Disability.
  - d. A single person who is a Displaced Person.
  - e. A single person with no children but who is pregnant or in the process of securing legal custody of any individual under the age of 18 years.
  - f. A single person.
16. 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 institution offering a college degree. The status of the student shall be verified by the head of household.
17. Guest: A person who is not a member of the family but is in the dwelling with the consent (express or implied) of a family member.
18. Head of Household: The adult person or legally emancipated minor who executes the lease with the Authority or, if such person no longer resides in the dwelling unit, the adult person or legally emancipated minor who resides in the dwelling unit and who is the remaining head of household of the family residing in the dwelling unit. The head of household is also called the "Resident".
19. HUD: The United States Department of Housing and Urban Development.
20. Income Limits: The maximum amount of Annual Income a family may receive to qualify for low-rent housing provided by the Authority. The Authority's current income limits are defined by HUD.
21. Individual with Disability: A person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment. Additional information regarding whether a person is an Individual with Disability may be found in the HUD definition appearing in 24 C.F.R. § 8.3.
22. Live-in Aide: A person who resides with an Elderly Person, a Disabled Person or Individual with Disability and who: (a) is determined by the Authority to be essential to the care and well-being of the person; (b) is not obligated to support the person; or (c) would not be living in the dwelling unit except to provide necessary care services.
23. Minimum Rent: Represents a dollar amount set by the Authority and applies to all tenants in public housing. The minimum rent for the Authority is \$50.
24. Monthly Adjusted Income: One twelfth of Adjusted Income.
25. Monthly Income: One twelfth of Annual Income.



26. Net Family Assets: Net cash value (after deducting reasonable costs that would be incurred in disposition) of real and personal property, savings, stocks, bonds and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobile are not included. If a trust fund has been established and the trust is not revocable by and is not under the control of any member of the family, the value of the trust fund shall not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining Annual Income. In determining the Net Family Assets, the Authority shall include the value of any business or family assets disposed of by an Applicant or Resident for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application or re-examination. In the case of a disposition as part of a separation or divorce settlement the disposition shall not be considered to be for less than fair market value if the Applicant or Resident received important consideration not measurable in dollar terms.
27. PATH Program: A self sufficiency program, through an agreement with Workforce Development, designed specifically for the family to reduce or eliminate the family's dependency on governmental subsidies and support, through a coordinated and comprehensive delivery of human support services.
28. PATH Program Participant: A household that is enrolled in the PATH Program and continues to meet established goals and objectives for the household's self-sufficiency.
29. Re-examination Date: The date any rent change is effective as a result of the annual or any interim re-examination of eligibility and rent.
30. Rent: The amount payable monthly by the Resident for leasing a dwelling unit. Where all utilities (except telephone) are supplied by the Authority, the rent equals the Total Tenant Payment. Where utilities are not supplied by the Authority and their cost is not included in the amount paid for rent, the rent equals the Total Tenant Payment less the Utility Allowance. Furniture is not included with the dwelling unit and therefore is not included in the rent.
31. Rent – Flat Rent: Each year, Public Housing Families may choose to have their rent based on the 30% formula method or a flat rent amount. The 30% formula is not used if the amount exceeds what the flat rent rate is. Families who choose the flat rent will be required to have their family income and composition re-examined at least once every year.
32. Resident: The head of household of a family occupying a dwelling unit in a development operated by the Authority. The Resident is the person legally responsible for fulfilling the obligations under the lease and this Statement of Policies.
33. Serviceman: Any person now serving in the United States Army, Navy, Air Force, Marine Corps, Coast Guard or the Commissioned Corps of the U.S. Public Health Service.
34. Single Person: A person who lives alone or intends to live alone and who does not qualify as an Elderly Family or Displaced Person or as the remaining member of a Family already in residence.

35. Spouse: The husband or wife of the head of household. The spouse is held responsible and accountable for the family in conjunction with the head of the household. The spouse is a co-lessee on the lease.
36. SSI: Supplemental Security Income.
37. Step Up Housing: Public housing developments that have a Working Activity Requirement and give a weighted preference to participants of the PATH Program.
38. Total Tenant Payment: The higher of 30 percent of Monthly Adjusted Income, 10 percent of Monthly Income, or the Authority's Minimum Rent. If the family receives welfare assistance and a part of such assistance is specifically designated by the welfare assistance agency to meet the family's housing costs, that amount constitutes the Total Tenant Payment. Total Tenant Payment does not include charges for excess utility consumption or other miscellaneous charges described in the lease and in this Statement of Policies.
39. Utilities: The term "utilities" means water, electricity, gas, other heating, cooking fuel, trash collection and sewage services. A refrigerator for food storage is considered a utility and is included with the dwelling unit. Telephone service is not a utility.
40. Utility Allowance: If the cost of any utility is not included in the rent but is the responsibility of the Resident in the dwelling unit, the utility allowance shall constitute the estimate of the monthly cost of a reasonable consumption of utilities for the dwelling unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary and healthful living environment. A schedule of utility allowances is attached as Schedule B.
41. Veteran: Any person who was a serviceman and has been discharged or released therefrom under conditions other than dishonorable.
42. Work Activity Requirement: At admission and for continued occupancy, each head of household must maintain a work activity of at least 30 hours per week. Each additional adult household member will increase the minimum number of work activity hours required by 10 hours per week (i.e. 3 adult household members would be  $30 + 10 + 10 = 50$  hours per week of work activity for the household). Head of Households and/or adult household members who are elderly, disabled, or handicapped and receive payment in lieu of working are exempt from the work requirement.

## **SECTION II. APPLICATION PROCEDURE**

### **A. Preparing the Application.:**

1. Pre-Application: Pre-applications for admission are acceptable. The date and time shall be recorded on each pre-application. When the Applicant's name approaches the top of the waiting list, a formal application shall be completed.
2. Application and Accompanying Forms: The application constitutes the record on which the Authority determines eligibility, rent, size of dwelling unit and any preference, if applicable, applying to the Applicant. The application shall be accompanied by an Applicant Certification Form (signed by the head of household and spouse), a form to verify the citizenship or eligible

immigrant status of all household residents, a Privacy Act Statement (signed by either the head of household or spouse), a Form HUD-9886 (signed by the head of household, spouse and all other adult members of the family) to request verification information, and a Form HUD-50058 to certify the verification of the application information.

3. Filling Out the Application: The procedure for processing the application shall be as follows:
  - a. All entries on the application form shall be made in ink or typed.
  - b. Any changes shall be made by lining through the original entry and inserting the correct data. The reason for each change, the date and the initials of the person making the change shall be noted on the application tracking sheet in the Applicant's file.
  - c. The date of each application shall be recorded on each application.
  - d. When the Applicant and the representative of the Authority have determined that every blank is completed (exclusive of those provided for the Authority's internal use), both shall sign and date the application in the appropriate space.
  
4. Ineligibility Determined While Completing the Application: If during the application interview it becomes obvious that an Applicant is ineligible for housing, the Applicant shall be so informed and told the reason at that time. Additionally, the Applicant shall be informed in writing of the reason for ineligibility and the application shall be classified as "ineligible". Reasons supporting a determination of ineligibility for admission during the application interview include:
  - a. The Applicant is a minor who is unable to provide proof of being an emancipated minor.
  - b. The Applicant's Annual Income exceeds the Authority's income limits.
  - c. The Applicant or any member of the Applicant's family whom the Applicant proposes shall live with the Applicant on the Authority's premises has previously been evicted from HUD-assisted housing for drug-related activity.
  - d. The Applicant informs the Authority of other reasons that affect the Applicant's eligibility or that could affect the health, safety or welfare of other residents.
  - e. The applicant fails to disclose or verify social security numbers for all household occupants.
  - f. The applicant household does not have at least one member who is a U.S. citizen, U.S. national, or possesses eligible immigration status.
  - g. The applicant is a student who does not meet one of the following definitions:
    - Is 24 years of age or older
    - Is a veteran of the US military
    - Is married
    - Has dependent children
    - Is disabled, or
    - Is individually eligible and has parents who are eligible for assistance based on income.
  - h. The applicant does not meet the work activity requirement and agrees to participate in the PATH Program, continue to participate in the PATH Program, or meet an exemption.

B. Accepting the Application.

Applications from all apparently eligible Applicants seeking housing shall be accepted regardless of the number of eligible applications on file. However, if there are sufficient applications on file to fill vacancies as they are expected to occur within a one (1) year period, the Authority may suspend the taking of applications. Such a suspension shall be publicly advertised in three conspicuous places in the Authority's offices, in a regularly published newspaper and/or local radio stations.

C. Application Files. The Authority shall maintain the applications and all related material in appropriate files, as follows:

1. Applications Pending Verification shall be filed by bedroom size and then in alphabetical sequence.
2. Active Applications shall be filed by bedroom size, preference, date and time.
3. Withdrawn and Denied Applications shall be filed alphabetically in the withdrawn and denied files and shall be discarded three (3) years from the date of ineligibility determination.
4. An Annual Review of the Active Application File shall be conducted, if needed, by the Authority. Applicants shall be requested in writing to confirm their continued interest in a dwelling unit. Failure to reply within the specified period shall result in the application being retired from the active file and placed in the withdrawn file. Undelivered letters with their accompanying envelopes shall be attached to the application as evidence of the unsuccessful efforts to locate the Applicant regarding continued interest. The retired application shall show the date and results of any written correspondence, telephone calls and personal contacts. Each retired application shall be documented with the date of retirement, the reason and the initials of the person who made the determination. Once an application is retired, an Applicant who desires to apply for housing shall prepare a new application and the Applicant shall be deemed to be a new Applicant at that time.

D. Verification of Application Data.

1. Verification of Written Data: Information provided by the Applicant regarding Annual Income and Net Family Assets shall be verified by the Authority by contacting a third party who can independently confirm the information. All requests for verification shall be in writing and shall state the purpose of the inquiry and include a copy of Form HUD-9886 authorizing the release of the information. The source verifying the information shall be requested to do so in writing. All information regarding attempts to verify application information shall be retained in the Applicant's file. Documents acceptable for verification of application information include the following:
  - a. Written information from all sources concerning income, exclusions, deductions and exemptions. Income shall be verified by the source from which it is derived; expenses shall be verified by the recipients of such payments. If any verification is obtained by telephone, personal interview or other means, a written summary of such contact shall be made by the Authority's representative noting the verification of the information, the source, the date and method received and the signature of the Authority's representative. If the source cannot or refuses to provide written verification, the Authority may in its discretion accept documentation provided by the Applicant such as the most recent pay stubs or benefit checks, income tax returns, regular bills paid by the Applicant and other supporting documents. Alternatively, the Authority may verify data over the telephone, but telephone verification shall be relied upon only when no written verification is available. If the source refuses to verify the data (either in writing or orally), the Authority shall document the reason.
  - b. Photocopies of documents in the possession of the Applicant which substantiate claims of real or personal assets, including bank statements, passbooks, stock certificates, copies of tax statements regarding real estate and registers of bonds (however, United States

Treasury checks shall not be photocopied). Alternatively, a brief summary of the contents of the document may be included in the Applicant's file. The summaries shall be signed and dated by the Authority representative who examined the Applicant's documents.

- c. If the Applicant is self-employed, the Applicant shall provide notarized financial statements showing gross income, itemized expenses and net income.
  - d. Social security cards and birth certificates for all members of the family, or other reasonable documents maybe used for proof of birth.
  - e. Social Security disability award letters or other documents evidencing any income, award or grant for a disability; a licensed physician's certification of physical or mental disability; and documents evidencing receipt of a pension.
  - f. Third party verification of local preference (If applicable).
  - g. Evidence of full-time student status.
  - h. Picture ID Cards for head of household and members 18 years old.
2. Confirming Other Eligibility Requirements: The Authority shall also examine Authority records, credit reports, National Database of Sex Offenders, and criminal and court records and may conduct personal or telephone interviews with previous landlords, employers, social workers, parole officers, hospitals and clinics, physicians and the police department. Such sources shall be consulted to determine whether the Applicant meets the Authority's eligibility requirements and whether the conduct of the Applicant is likely to interfere with other residents' occupancy of their dwelling units or with the Authority's management of the development.
3. Confirming Citizenship or Eligible Immigration Status: The citizenship or eligible immigration status of all family members regardless of age must be determined. For applicants or household members who declare they are United States citizens, no further verification or confirmation of this declaration is necessary. The Authority shall verify eligible immigration status for each prospective member of the household in accordance with the procedures of the Department of Homeland Security (DHS). The primary means of verification shall be through the SAVE Alien Status Verification Index (ASVI) database. If the PHA is unable to obtain the results using the automated primary and secondary verification method, the owner will attempt to obtain results using the secondary verification paper process. If the SAVE system does not verify that the Applicant or household member is an eligible immigrant, the Authority shall conduct a secondary verification by preparing the DHS Form G-845S and photocopies of the DHS documents submitted by the applicant to the DHS office. The PHA will not permit a temporary deferral of termination of assistance.
4. Verification of Lack of Income: The Authority shall verify any suspected unreported or misreported facts regarding the Applicant. When an Applicant reports Annual Income that appears to be less than adequate for the family's needs, or if the Applicant appears to be eligible for income that is not reported (for example, TANF, welfare, unemployment compensation or child support), the absence of such income shall be verified.
5. Verification of Work Activity Requirement: Each head of household must maintain a work activity of at least 30 hours per week. Each additional adult household member will increase the minimum number of work activity hours required by 10 hours per week (i.e. 3 adult household members would be  $30 + 10 + 10 = 50$  hours per week of work activity for the household). Head of Households and/or adult household members who are elderly, disabled, or handicapped and receive payment in lieu of working are exempt from the work requirement.

E. Eligibility for Admission.

1. Basic Eligibility: The Authority shall deem to be eligible an Applicant who, at the time of admission, meets all of the following requirements:
  - a. Qualifies as a family, as defined in Section I(B)(15).
  - b. Whose household meets the work activity requirement and the Annual Income does not exceed the income limits established by the Authority.
  - c. Who agrees to participate in the PATH Program, is an active PATH Program Participant or meets an exemption.
  - d. Whose past performance in meeting financial obligations, especially rent and utilities, is satisfactory and who has no record of fraud in reporting income, family composition or any other material fact.
  - e. Who owes no former balance to the Authority.
  - f. Who has not been terminated or evicted for lease violations in the past three (3) years (unless a longer time period is required based on other screening criteria contained herein).
  - g. Who has not habitually, in current or previous housing, engaged in conduct that would be likely to interfere with other residents in such a manner as to endanger their health, safety or welfare, diminish their peaceful enjoyment of the development or adversely affect the physical environment of the development. "Habitual" is defined as five (5) or more incidences in the previous three (3) years from date of application and/or date of admission. Incidences include charges and/or convictions.
  - h. Who has no habitual record of disturbance of neighbors, physical violence to persons, destruction of property, or living or housekeeping habits at current or previous housing which may endanger the health, safety or welfare of other residents. "Habitual record" is defined as five (5) or more incidences in the previous three (3) years from the date of application and/or admission. Incidences include charges and/or convictions.
  - i. Who has no recent record of violent criminal activity or criminal activity involving drugs or drug-related activity. "Recent record" is defined as within five (5) years from the date of application and/or admission for a felony charge and three (3) years for a misdemeanor charge. An exception may be made for residents who have successfully completed a rehabilitation program approved by the Authority and who have not received new charges since the completion.
  - j. Who is not a registered sex offender.
  - k. Who is a United States citizen or an eligible immigrant.
  
2. Reasons for Ineligibility: Other than failing to qualify as a family or failing to meet the Authority's income limits, an Applicant shall be deemed ineligible if any one or more of the following have occurred with respect to the Applicant or any member of the family:
  - a. Fraud in connection with any federal housing assistance program.
  - b. Failure to pay any indebtedness to the Authority.
  - c. History of non-payment of rent to any landlord and/or non-payment for utilities. In the case of the Housing Authority being the landlord, admission will be denied for at least three years from the date of padlock, eviction or termination.
  - d. A record for drug-related activity.
  - e. A record of disturbance of neighbors such as fighting, loud music, loud abusive language, wild parties, etc.

- f. A record of destroying, defacing, damaging or removing any part of a rental dwelling or other building.
- g. A history of criminal activity involving drugs or crimes of physical violence to persons or property or a record of other criminal acts which would adversely affect the health, safety or welfare of neighbors.
- h. Engage in threatened abusive or violent behavior to HAWS personnel.
- i. If the Authority determines an applicant is illegally using a controlled substance.
- j. ONE STRIKE AND YOU'RE OUT: If the Authority determines that it has reasonable cause to believe that the Applicant's or family member's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents.
- k. ONE STRIKE AND YOU'RE OUT: An eviction from assisted housing or conviction while a resident of assisted housing within three (3) years of the projected date of admission and /or application because of drug-related criminal activity.
- l. Individuals subject to a lifetime registration requirement under a State sex offender registration program are prohibited from admission to Federal Housing programs.
- m. Does not meet the work activity requirement and/or the PATH Program Participant requirement or exemption.

3. Effect of Unfavorable Information:

- a. In the event unfavorable information is obtained that may have an effect on the Applicant's admission pursuant to the Authority's eligibility criteria, consideration shall be given to the time, nature and extent of the unfavorable conduct and to factors which might indicate a reasonable probability of favorable future conduct or ability to meet financial obligations.
- b. The factors which might indicate a reasonable probability of favorable future conduct or ability to meet financial obligations are as follows:
  - (1) Has successfully completed a supervised drug or alcohol rehabilitation program.
  - (2) Is participating in a supervised drug or alcohol rehabilitation program.
  - (3) Evidence of the Applicant's willingness to attempt to increase Annual Income and the availability of training or employment programs.
  - (4) Is participating in intensive case management to include monitoring and tracking of performance.
- c. The evidence showing these factors shall be verified in writing prior to consideration by the Authority. Those persons verifying the evidence may include social workers, counselors, employers, educational institutions, ministers, parole or probation officers or other law enforcement personnel.

4. Violence Against Women Act (VAWA): The Authority will not deny admission to public housing to any person because that person is or has been a victim of domestic violence, dating violence, or stalking, provided that such person is otherwise qualified for such admission.

F. Determination of Eligibility.

- 1. Prompt Review of Verifications: Verifications shall be reviewed as they are received by the Authority. If they are incomplete, complete information shall be obtained promptly. The Authority shall take reasonable steps to obtain the needed information.
- 2. Summarizing Data and Determination of Eligibility: The Authority shall summarize the application and the verifications of the information provided in the application to determine the

Applicant's eligibility for housing. Summarized data shall cover the following specific determinations and the basis for each:

- a. Eligibility of the Applicant with respect to Annual Income limits;
  - b. Source of Annual Income on which the Total Tenant Payment is to be based;
  - c. Eligibility of the Applicant with respect to Student Status;
  - d. Verification of preference, if applicable;
  - e. Size of dwelling unit to which the Applicant is to be assigned;
  - f. Total Tenant Payment which the Applicant shall pay upon initial occupancy (based upon current information; this may change prior to assignment of a dwelling unit); and
  - g. Any reasons for ineligibility stated in paragraph E above.
3. Notice Regarding Eligibility or Ineligibility: An Applicant who is determined to be eligible for admission shall be notified of this status. The notice may be given either in writing or verbally; however, verbal notice shall be confirmed on the application and signed by both the Applicant and the representative of the Authority. The Applicant shall be notified of the approximate date a dwelling unit shall be available, if this date can be reasonably ascertained. An Applicant who is determined to be not eligible for admission shall be notified in writing of the basis of the determination. If the Applicant disagrees with the determination of ineligibility, a grievance must be filed within seven (7) working days from the date of the Authority's written notice of the Applicant's ineligibility. The grievance must be filed in writing at the Development Office(s) and the Authority's grievance procedures shall govern the resolution of the grievance.
4. Ineligibility Based on Lack of U. S. Citizenship or Eligible Immigrant Status:
- a. Notice of apparent ineligibility: If the primary and secondary verifications by the DHS disclose that the Applicant or household member is not an eligible immigrant, the Applicant shall be provided written notice of this fact. The notice shall also disclose the following:
    - (1) The Applicant may be eligible for proration of assistance; and
    - (2) The Applicant or household member may appeal the DHS's determination regarding lack of eligible immigrant status; and
    - (3) The Applicant may request a hearing pursuant to the Authority's grievance procedures.
  - b. Proration of Assistance: If an Applicant or household member is not an eligible immigrant, the Applicant may nonetheless be considered for housing by the Authority if the Applicant is willing to have the financial assistance made available to the Applicant prorated so that no financial assistance is provided on account of the non-eligible immigrant. The following steps shall be taken to establish prorated assistance:
    - (1) Determine Total Tenant Payment.
    - (2) Determine from HUD-supplied information the "public housing maximum rent" and subtract from this amount the Total Tenant Payment.
    - (3) Divide the number determined in Step 2 by the number of persons in the family.
    - (4) Multiply the number determined in Step 3 by the number of U. S. citizens and eligible immigrants in the family.
    - (5) The family's rent shall be the "public housing maximum rent" minus the amount determined in Step 4. This shall be the Total Tenant Payment for the Resident until there is a change in status.
    - (6) HAWS will not permit a temporary deferral of termination except when the family does not accept an offer of prorated assistance.
  - c. Appeal to DHS:



- (1) Upon receipt of notice from the Authority that the DHS failed to confirm eligible immigration status for the Applicant or a household member, the Applicant or household member may appeal the DHS results. The request for appeal must be made within thirty (30) days of receipt of the notice from the Authority regarding non-eligibility. A copy of the written request for appeal and proof of mailing must be provided to the Authority. The Authority may grant an extension to the 30-day appeal period for good cause.
  - (2) DHS procedures regarding appeals of immigration status shall be followed.
  - (3) When the DHS has considered the appeal and issued its determination, the Authority shall provide the Applicant written notice of the Applicant's eligibility for public housing. If the Authority determines the Applicant is ineligible due to the INS determination, the Authority shall give the Applicant written notice of the right to a hearing pursuant to the Authority's grievance procedures and section II(F)(4)(d) below.
- d. Grievance procedures regarding non-eligibility due to immigration status: Either before or after the DHS has issued its determination regarding the appeal of the Applicant or household member, the Applicant may request a hearing from the Authority in accordance with the Authority's grievance procedures. The request for a hearing may be submitted at any time but in any event no later than fourteen (14) days after the date of the INS determination on appeal, or if no appeal was taken within fourteen (14) days after receipt of the Authority's notice pursuant to Section II(F)(4)(a) above. The 14-day period may be extended for good cause. As the Authority is prohibited from providing assistance to persons who are not U. S. citizens or eligible immigrants, at a hearing the Applicant must demonstrate why the determination of the DHS is incorrect; otherwise, the Authority must find against the Applicant.

G. Waiting List

1. Application Pool: A pool of eligible applications shall be maintained at each development by bedroom size, and date and time of the application and (where relevant) disability accessibility.
  - a. Bedroom size: The standards below shall determine the number of bedrooms required to accommodate a family. These 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. An eligible family of the most nearly appropriate size shall be assigned a dwelling unit with the written understanding (documented in the Resident's file) that the family shall be transferred (at its expense) to a dwelling unit of the appropriate size as soon as such dwelling unit becomes available.

<u>Number of Bedrooms</u>	<u>Number of Persons</u>	
	<u>Minimum</u>	<u>Maximum</u>
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8

Unborn children or children who are in the process of being adopted are counted for the purpose of determining the bedroom size.

- b. Income Targeting: In each fiscal year, at least 40% of the new admissions, public housing-wide, must have incomes that do not exceed 30% of the area median income as published by HUD. In order to achieve this HUD requirement, it may be necessary to skip over families and admit extremely low (30% or less of median income) families.
  - c. Preference: The Authority gives a preference for housing to applicants who meet certain criteria. Only the status of the head of household or spouse will be considered in determining whether the preference is applicable. The preferences are as follows:
    - (i) Working Individual/Family – must verify that the head of household is working at least 30 hours per week and meets the working activity requirement as stated in this plan. The applicant will be given the benefit of the working preference if the head of household and spouse, or sole member is age 62 or older, or is a person with disabilities and receiving payment in lieu of working.
    - (ii) ESR Transitional Housing Program Working Graduates – must be a graduate of ESR’s Transitional Housing Program who is employed and received documented supportive services and referred by ESR. The Authority will limit the number of applicants that qualify for this preference to the number that does not allow for more than 10 of the units in the development to be occupied by this applicant preference group.
    - (iii) PATH Program Participant – must be a participant of the PATH Program as evidenced by a referral from the referring agency and meet all required criteria.
  - d. Weighted Preference: Applicants who qualify for the ESR Transitional Housing Program Working Graduate preference will be housed before any other preferences. Secondly, applicants who qualify for the PATH Program Participant Preference will be housed before remaining preferences.
  - e. Date and time: The date and time recorded on the application shall be used for determining the priority of Applicants who are equally eligible.
  - f. Accessible dwelling units: If the Applicant is a Disabled Person or Individual with Disability and requires a dwelling unit with special features for accessibility, the next available accessible dwelling unit of appropriate bedroom size shall be assigned to the Applicant unless a current Resident has already requested transfer to the accessible dwelling unit.
2. Site Based Waiting List: The waiting list shall consist of eligible applications filed in the following order: first, by unit size required; second by preference, and third by date and time. Applicants on the waiting list shall be advised to contact the development if any change occurs in family composition, Annual Income, home address or any eligibility factors. A change could affect the Applicant's eligibility for housing. The Authority shall not, on account of race, creed, national origin, color, sex, age, disability, familial status or religion, deny to any eligible Applicant the opportunity to rent a dwelling unit suitable to his or her needs.
  3. Selection: An Applicant shall be selected from the waiting list in accordance with his or her position on it. The Applicant at the top of the list will be offered a suitable dwelling unit when it becomes available. If the Applicant refuses it, the Applicant's name shall be removed. If the Applicant presents satisfactory evidence that the acceptance of the unit will result in undue hardship for an acceptable reason, the Applicant may refuse the offer of the dwelling unit and retain his or her on the waiting list. If a second offer of a suitable dwelling unit is rejected, the Applicant shall be withdrawn from the waiting list. If more than one dwelling unit becomes available, the Authority shall make offers in such a fashion as to avoid concentration of the most economically and socially deprived families and to maintain a resident body composed of

families with a broad range of incomes which is generally representative of the range of income of low-income families in the Winston-Salem area.

Applicants will be withdrawn from other public housing site based waiting lists when the Applicant is moved into a public housing unit.

4. Deconcentration Rule:

- a. Objective: The objective of the Deconcentration Rule for public housing units is to ensure that families are housed in a manner that will prevent a concentration of poverty families and/or a concentration of higher income families in any one development. The specific objective of the Authority is to admit no less than 40 percent of its public housing inventory with families that have income at or below 30 percent of the area median income. Also, the Authority will take actions to insure that no individual development has a concentration of higher income families in one or more of the developments.
- b. Actions: To accomplish the deconcentration goals, the Authority will take the following actions:
  - i. Prior to each new admission, the Authority will run the Income Category Report to ensure that it continues to meet the deconcentration goal.
  - ii. To accomplish the goal-the housing authority may implement one or more of the following:
    - (a) skip over certain families on the waiting lists based on incomes;
    - (b) utilize affirmative marketing efforts and promotion of supportive services/amenities (i.e. after school tutorial, 24-hour emergency maintenance, etc.) to encourage new applicants with appropriate income levels;
    - (c) consult and inform applicants on the waiting list of deconcentration goals;
    - (d) utilization of the working preference and working activity requirement.

H. Certification: The Authority shall certify in writing prior to the execution of any lease between the Authority and the Applicant that it has conducted an investigation and determined that the Applicant meets the conditions governing eligibility for admission.

I. Rechecking Verified Findings Prior to Admission: If there is a period of more than one hundred twenty (120) days between the date the eligibility determination was made and the date of initial occupancy, the Authority shall conduct a re-determination to ascertain that the application continues to reflect accurate information and that the Applicant is still eligible for a dwelling unit.

### **SECTION III. OCCUPANCY PROCEDURES**

A. Orientation Sessions: The Authority shall conduct an applicant orientation with the Applicant (and spouse) to explain the terms of the lease, introduce Authority staff members to the Applicant and discuss the Authority's programs and procedures. Immediately prior to occupancy, the development manager where the Applicant shall live shall conduct a pre-occupancy orientation to acquaint the Applicant with the particular development and dwelling unit. At this time the Applicant shall be informed of the risk of lead-based paint poisoning and sign a form affirming his or her awareness.

B. Lease Requirements: A lease shall be entered into between the Authority and the Resident. The lease shall be in standard form and each lease shall contain the following information specific to that Resident:

1. Identification of Parties and Dwelling Unit:

- a. The name, sex and date of birth of the head of household, spouse (where applicable) and each member of the family residing in the dwelling unit, and the relationship of each person to the head of household.
- b. The address and size of dwelling unit.
- c. The Resident's account number with the Authority.

2. Payments Due Under Lease:

- a. The lease shall list the Total Tenant Payment and the rent.
- b. Rent shall be due and payable on or before the first day of each month. Rent shall be late after the seventh day of each month and a \$15.00 Late Charge will be assessed to the Resident's account on the 6th of each month. No extensions shall be granted, unless payment can be proven to have been received by the 5<sup>th</sup>. If the Resident moves into a dwelling unit on other than the first day of the month, the rent shall be pro-rated for the number of days remaining in the month and shall be due and payable on the date of occupancy.
- c. Each year, Public Housing Families may choose to have their rent base on the 30% formula method or the flat rent amount. Families who choose the flat rent will be required to have their family income and composition re-examined at least once every year. Flat rent is based on market rate comparables.
- d. Ordinarily the rent owed by the Resident includes utilities (except telephone) furnished by the Authority. Utilities are supplied in quantities stated on the utility allowance schedule attached as Appendix D. The Total Tenant Payment does not include utility consumption in excess of the Authority's utility allowance schedule. The charge for consumption of utilities in excess of the utility allowance schedule shall be based on the same rate as the Authority is charged by the utility company. Such charges shall be regularly determined by examining the meter servicing the dwelling unit. Such charges shall become due on the first day of the month following notice to the Resident of the charges and shall be late after the seventh day of the month. In certain developments the Resident pays for utilities as they are not provided by the Authority; in these developments, the Resident shall be responsible for arranging for necessary service directly with the utility company.
- e. The Resident shall be responsible for charges incurred due to the Authority's having to engage in maintenance and repair activities beyond those for normal wear and tear. Charges for maintenance and repair beyond normal wear and tear shall be determined in the Authority's discretion and posted in each development. Such charges shall become due on the first day of the month following notice to the Resident of the charges and shall be late after the fifth day of the month. Reasons for such charges may include the following:

- (1) If the Authority is required to perform any of the following due to the intentional act, carelessness or neglect of the Resident, any family member or any visitor or guest:

- (a) Repair or replace any part of the dwelling unit, including appliances, fixtures and equipment, or perform any other repairs arising from the intentional act, carelessness or neglect of the Resident, family member or visitor or guest.
  - (b) Remove graffiti, crayon or pencil marks or any other markings, smudges or smears in the dwelling unit or on Authority premises.
  - (c) Remove litter from the grounds or common areas of the development.
  - (d) Remove rubbish, garbage or other waste from dwelling unit.
  - (e) Respond to a fire alarm after business hours or on weekends. Repeated nuisance fire alarms requiring the Fire Department to respond will incur an additional charge.
- (2) If the Resident, any family member or any visitor or guest does any of the following:
- (a) Changes or removes any part of the appliances, fixtures or equipment in the dwelling unit.
  - (b) Install wallpaper or contact paper in the dwelling unit.
  - (c) Washes a motor vehicle on the Authority's premises or parks any motor vehicle on common areas (other than those designated for parking) or Resident yards.
  - (d) Destroys or defaces any part of the dwelling unit, common areas or development grounds.
- f. The Resident shall pay a Security Deposit in the amount of \$150.00. The Security Deposit shall be due and payable on the initial date of occupancy. In the case of verified hardship the Authority may permit the Resident to pay an initial deposit of \$75.00, then pay the remaining security deposit in three (3) equal monthly installments beginning the month following the date of occupancy. Installments are due on the first day of the month in which they are due and late after the seventh day of the month. The security deposit shall be held in escrow by the Authority. Interest earned on the security deposit shall not be paid to the Resident; rather, it shall help fund the Authority's resident services and activities. When the Resident vacates the dwelling unit and returns the dwelling unit keys to the Authority, the security deposit shall be returned to the Resident, but the following amounts shall be deducted: (1) charges for damage caused during the Resident's tenancy (ordinary wear and tear excepted), (2) charges to put the dwelling unit back in as clean a condition as it was in at the commencement of the tenancy, and (3) charges for unpaid rent, utilities or other charges. The Authority shall provide the Resident a written statement of any charges for damages or other deductions from the security deposit. The security deposit shall not be used to pay rent or other charges while the Resident occupies the dwelling unit.

3. Signature on the Lease: A signature clause attesting that the lease has been executed by the parties shall be executed in the following manner:

- a. Head of household and spouse: The head of household (and spouse, if applicable) shall sign the lease prior to occupancy. The Resident shall retain one copy of the lease, one copy shall be retained in the Resident's file at the development office and one copy shall be forwarded to the Authority's Auditing Department.
- b. Head of household and spouse leave: If a person who has signed the lease (the head of household and spouse) ceases to be a member of the Resident's family, the lease is void.

If the family wishes to continue residing in the dwelling unit, a new lease shall be executed by a remaining member of the family who is at least eighteen (18) years of age or is legally emancipated and whose name is already on the lease and can qualify as head of household. The family shall continue to meet all the requirements for continued occupancy. If these requirements are not met, the family shall vacate the dwelling unit.

C. Changes in Rent, Family Composition, Work Activity and Annual Income: The rent is fixed at the signing of the lease and is subject to re-examination. The determined amount of rent may be revised if any of the following events occur:

1. Error During Previous Determination: Discovery of an error which occurred in connection with a previous rent determination. This change shall be accomplished by administrative action by the Authority.
2. Change in Utility Allowance: If the utility allowance schedule (attached as Appendix D) changes, the Authority shall appropriately adjust the rent owed by residents who are responsible for their own utilities so that the Total Tenant Payment remains the same.
3. Change in Family Composition: Any change in family composition through marriage, divorce, separation, birth, death, adoption, court order, governmental placement, or any other change. The Resident shall report additions to the family and losses on an Interim Change Form within ten (10) days after the event; however, no change shall be effective until approved by the Authority. Additional family members shall not occupy the dwelling unit until approved by the Authority.
  - a. Additions to the family shall be verified with applicable documentation in the same fashion that family members were verified during the initial admission process; no person's name shall be added to the lease without this verification.
  - b. Losses or deletions shall be verified by divorce decree, death certificate, newspaper obituary, landlord rental statement, court order, school record or notarized statement.
  - c. In the case of the head of household requesting that a remaining member of the family other than the spouse become head of household, or in the case of a remaining family member requesting to become head of household, all rent, back rent, repair and utility charges shall be paid in full prior to approval by the Authority. The remaining member other than the spouse shall be 18 years of age or older (or be an emancipated minor), have the ability to manage a household and agree to comply with the terms of the lease.
4. Change in Household Work Activity Hours: Should a household no longer meet the work activity requirement they will be granted a 60-day grace period from the date of job loss to meet the work activity requirement. A 60-day extension may be granted with verification that the household is actively pursuing a work activity. A 60-day grace period and 60-day extension will only be granted once in a 12-month period. If a household is unable to achieve the work activity requirement within the 60-day grace period and subsequent extension (if granted) the household will be required to transfer to other traditional housing that does not mandate a work activity requirement. The household must meet all other eligibility criteria to transfer.
5. Change in Income:
  - a. Decrease in Annual Income:

- (1) If the Resident's Annual Income is derived in whole or part from a fixed income source and there is a decrease in that source of income, the Resident shall report the decrease within ten (10) days of learning of the decrease. Such a decrease in income shall be verified prior to any rent adjustment being made. Fixed income sources include social security benefits, child support, alimony, unemployment compensation and disability insurance payments. If the family's benefits are reduced because of fraud, the Authority shall not lower the rent. Income changes resulting from welfare program requirements: If a family's welfare benefits are lowered due to the family's failure to comply with the program requirements, the HA must not reduce the family rent.
- (2) If the Resident's Annual Income (namely wages from employment) is decreased between regular re-examination dates, the Resident shall report the change in Annual Income within ten (10) days after the change occurs. The change must be verified by the Authority. The decrease must last more than one (1) month; having one's income temporarily reduced for a period of less than one month will not qualify the Resident for a reduction in rent.
- (3) Decreases in rent are effective on the first day of the month following the month in which the Resident reported the change. However, no adjustment in the Total Tenant Payment shall be made without the Authority's verification of the reported change. If the Authority cannot verify the change before the effective date, the Resident shall owe the amount paid the previous month, and this rent shall continue until the Authority has verified the information. Upon verification, the Authority shall credit the Resident with the excess amount paid as rent pending verification. This credit shall be applied to the Resident's first rent due following the verification.

b. Increase in Annual Income:

- (1) An increase in wages (including amounts based on production efficiency, across-the-board pay increases and cost-of-living increases), fixed income or other Annual Income shall be reported if the increase is received after the rent has been adjusted downward in accordance with paragraph 4(a) above. An increase in Annual Income is otherwise not required to be reported until the next re-examination.
- (2) Increases in rent are effective on the first day of the second month following the month in which the change occurred. The accuracy of the information used as a basis for an interim Total Tenant Payment increase need not be verified until the time of re-examination. The Resident shall be able to verify the information at the next re-examination.

c. Income Exclusion (Public Housing Only):

All income exclusions and disallowances are in accordance with HUD regulations.

6. Certifying Changes: The Authority shall complete a Form HUD-50058 or HUD-50059 at each interim re-determination to certify the accuracy of the information.
7. Failure to Report Changes: Residents who fail to report changes in their family composition or Annual Income as required are committing fraud against the Authority. The Authority shall back charge the Resident and collect the total amount due retroactive to the effective date the change in rent should have taken place. Additionally, the Authority may terminate the Resident's lease in accordance with the terms of the lease.

D. Re-examination:

1. Annual Application for Continued Occupancy: The Resident shall file an application for continued occupancy at least once in every twelve (12) month period. The application shall require submission of similar information required for initial admission. The Resident shall furnish such information and certifications regarding family composition, work activity requirement, PATH Program requirements, Annual Income and Net Family Assets so that the Authority may make determinations with respect to eligibility for continued occupancy, Total Tenant Payment and the appropriateness of dwelling size. If any new household members have been added to the Dwelling Lease, the new household member shall sign a statement, under oath, that he or she is a United States citizen or an eligible immigrant. If the new household member claims to be an eligible immigrant, then original documentation demonstrating this status shall be provided to the Authority. The Authority shall copy such documents (front and back) and return the originals to the new household member. If the new household member is a minor under age 18 (including newborns), then an adult living in the dwelling unit responsible for the minor shall sign the statement on the minor's behalf. Any member of the household who turns 18 must also complete the appropriate paperwork as required. The Authority shall obtain an updated criminal report in conjunction with processing the resident's annual re-examination for continued occupancy.
2. Review and Verification by Authority: The Authority shall review and verify the information in the application for continued occupancy in accordance with the procedures used to determine initial eligibility for admission.
3. Interview of Resident: The Authority shall interview each Resident during the re-examination process. Interviews shall commence approximately 120 days prior to the date of re-examination. Any member 18 or older must attend the interview.
4. Disclosure of Any False Statement and Payment of Retroactive Rent: If the re-examination discloses that the Resident, at the time of initial admission or during any previous re-examination, made false statements which resulted in being classified as eligible when, in fact, the Resident was ineligible, the Authority shall determine the appropriate action to take given the nature of the false statement. Also, if at the time of re-examination it is found that the Resident's false statement resulted in paying a lower rent than should have been paid, the Resident shall be required to pay the difference between the rent actually paid and what should have been paid. Retroactive charges for prior increases in income shall be paid not later than the seventh day of the month following the month in which they are billed to Resident. If the Authority accepts a promissory note for retroactive payments, payments due under the promissory note shall be paid no later than the seventh day of the month in which the payment is due under the promissory note.
5. Determination of Continued Eligibility: After the information in the application for continued occupancy is verified, a summary of the information shall be prepared. If the application for continued occupancy appears to be incomplete or inaccurate based on the Authority's verification, the Resident shall be re-interviewed and given an opportunity to explain the discrepancies. The summary shall show the following determinations and the reasons therefore:
  - a. Continued eligibility as a family.
  - b. Continued eligibility with respect to Annual Income.
  - c. Continued eligibility with respect to Criminal Report(s).



- d. Size of dwelling required.
- e. Total Tenant Payment.
- f. Satisfactory compliance with the terms of the lease and this Statement of Policies, including terms regarding community service, fraud and misrepresentation on the application, participation in drug-related activity, disturbance of neighbors, destruction of property, or living or housekeeping habits which adversely affect the health, safety or welfare of other residents or employees of the Authority.
- g. New members of the household (including newborns) are United States citizens or eligible immigrants.
- h. Continued adherence to the work activity requirement. Should a household no longer meet the work activity requirement they will be granted a 60-day grace period from the date of job loss to meet the work activity requirement. A 60-day extension may be granted with verification that the household is actively pursuing a work activity. A 60-day grace period and 60-day extension will only be granted once in a 12-month period. If a household is unable to achieve the work activity requirement within the 60-day grace period and subsequent extension (if granted) the household will be required to transfer to other traditional housing that does not mandate a work activity requirement. The household must meet all other eligibility criteria to transfer.

6. Certifying Re-examination Determinations: The Authority shall complete a Form HUD-50058 or Form HUD-50059 at each annual re-examination to certify the accuracy of the information.

E. Action Required Following Annual or Interim Re-examination:

- 1. Written Notice of Results of Re-examination: Within thirty (30) days of the effective date of re-examination the Resident shall be given written notice concerning:
  - a. Eligibility or ineligibility for continued occupancy.
  - b. Any change in the rent or size of dwelling occupied.
  - c. Any instances of false statement or non-compliance with the terms of the lease revealed through re-examination and any corrective or punitive action which is to be taken.
- 2. Ineligibility Determined: A Resident found to be ineligible shall be issued a notice to vacate (termination notice) or notice to transfer allowing the Resident a period of not more than 30 days from the date ineligibility was determined to move from the dwelling unit. An ineligible Resident who does not move voluntarily by the date stated in the notice to vacate shall be evicted. The notice to vacate shall state that the Resident may appeal the termination of the lease consistent with the Authority's grievance procedures. Any grievance must be filed in writing within seven (7) working days from the date of the notice to vacate.
- 3. Change in Dwelling Unit Size: If the size of the dwelling unit is no longer suitable for the Resident in accordance with the bedroom assignment standards, the Resident shall be required to move as soon as a dwelling unit of appropriate size becomes available. The Resident shall be given fifteen (15) days in which to move. The Authority shall give due consideration to the transferring Resident's situation with regard to employment, day care or school. Prior to transfer, the Resident must be in good standing with the requirements of the current lease, and a new lease shall be executed for the new dwelling unit. All rent and charges owed to the Authority shall be paid in full prior to executing a new lease. Maintenance and repair charges resulting from the transfer shall be billed to the Resident at the new address and account number. If Resident refuses to transfer within the time specified by the Authority, the lease may be terminated upon a

30-day notice. Additional family members may not be added to the lease in order to avoid a transfer.

4. Transfer to Accessible Dwelling Unit: Units that have special features for accessibility are reserved for Disabled Persons, Individuals with Disabilities or other Residents who may benefit from the accessibility features. A Resident must submit a written request to transfer to an accessible dwelling unit. Transfers shall only be permitted to accessible dwelling units of an appropriate bedroom size for the Resident. Vacant accessible dwelling units shall first be assigned to current Residents who have requested transfer to accessible dwelling units. If no Resident has requested an accessible dwelling unit, the dwelling unit shall be assigned to an Applicant who has requested one. Prior to transfer, the Resident must be in good standing with the requirements of the current lease, and a new lease shall be executed for the new dwelling unit. All rent and charges owed to the Authority shall be paid in full prior to executing a new lease. Maintenance and repair charges resulting from the transfer shall be billed to the Resident at the new address and account number.
5. Moves to Other Developments: Should a family request to move to another development, they will be required to complete an application and go on the waiting list. Prior to the move, the Resident must be in good standing with the requirements of the current lease and a new lease shall be executed for the new dwelling unit. All rent and charges owed to the Authority shall be paid in full prior to executing a new lease. A new security deposit will be required and maintenance and repair charges resulting from the move shall be billed to the Resident at the new address and account number.
6. Transfers to Other Developments Due to PATH Program Non-Compliance, Action/Inaction of Authority or Failure to Adhere to the Work Activity Requirement: Residents who are required to move from a Work Requirement site due to PATH Program non-compliance, an action or inaction by the Authority, or for failure to adhere to the work requirement, but are otherwise in good standing in accordance with all other lease provisions, may be transferred to another development within the PHA. The Property Manager must make a referral to an appropriate development and the resident must meet all other transfer requirements.
7. Certifying a Transfer: Upon a transfer, a Form HUD-50058 shall be completed certifying the accuracy of the information in the Resident's file.
8. Resident Disagreement with Result of Re-examination: If the Resident does not agree with the determination of the Authority regarding Total Tenant Payment, a required transfer or any other determination following re-examination, the Resident may appeal the determination consistent with the Authority's grievance procedures. Any grievance must be filed within seven (7) working days from the date of the notification of the Authority's action which is the subject of the grievance.

F. Special Re-examinations:

1. If Annual Income or Family Composition is Unstable: Special Re-examinations are extensions of admission or continued occupancy determinations which are scheduled due to instability of family Annual Income or family composition. A temporary determination of Annual Income and Total Tenant Payment shall be made and a special re-examination shall be scheduled 30, 60 or 90 days later, depending on the circumstances. The Resident shall be notified in writing of the date of the special re-examination.

2. Determination of Rent or Additional Special Re-examinations: If the Annual Income can be estimated at the special re-examination, then the Total Tenant Payment shall be computed and entered on the lease. If a reasonable anticipation of Annual Income still cannot be made, additional special re-examinations shall be scheduled until a reasonable estimate of Annual Income can be made. The Total Tenant Payment determined at a special re-examination shall be effective on the first day of the month following the determination.

G. Temporary Rent:

1. When Determined: A Temporary Rent shall be charged when it is impossible to obtain verification of Annual Income or other required documentation to determine the rent prior to the effective date of occupancy, interim change or re-examination. Temporary Rent shall be established based on information furnished on the application and interim report and verified by the Applicant or Resident.
2. Payment of Temporary Rent-Later Adjustment: Residents already in occupancy shall be given a written notice of Temporary Rent stating the amount of rent to be paid pending verification of Annual Income or other documentation. The notice shall state that when the Total Tenant Payment is established it shall be retroactive to the effective date that the change in Total Tenant Payment should have taken place. An over-payment in the interim shall be credited to the Resident's account, while an under-payment shall be charged to the Resident's account. Such charge shall be due and payable on the first day and late after the seventh day of the second month following the determination. A dated copy of the Notice of Rent Adjustment shall be maintained in the Resident's file.

H. Failure to Attend Re-examination Interview: Failure to attend the re-examination interview or reschedule it within five (5) days after the designated time may result in the termination of the lease.

I. Misrepresentation: If the Authority discovers that the Resident has misrepresented the facts (such as Annual Income, family composition or eligible immigrant status) upon which the rent is based so the rent paid is less than should be charged, then the increased rent shall be made retroactive to the date upon which the change occurred. The retroactive rent shall be due on the date specified by the Authority in the Notice of Rent Adjustment. The Authority shall consider an extension for payment of such retroactive rent only in the case of a verified financial hardship. Upon a showing of verified hardship, retroactive rent can be paid in up to four (4) monthly installments. Failure to abide by the terms of the installment agreement shall be considered a violation of the lease and the lease shall be terminated. Failure to report any change that would cause the rent to be higher than what is being charged constitutes fraud. If the Resident commits fraud, the lease may be terminated and the Resident evicted.

J. Minimum Rent: During any lapse in the work activity requirement or during the period of Earned Income Disallowance, the Authority has established a fifty dollar (\$50.00) minimum rent and will grant an exemption from payment of the minimum rent if the family is unable to pay minimum rent because of financial hardships. A financial hardship exemption only applies to the payment of minimum rent and not to other elements used to calculate the total tenant payment. Families cannot request a hardship exemption if the family's calculated TTP is higher than the minimum rent. The following guidelines apply to minimum rent:

1. The Authority defines a financial hardship as the following:
  - a. The family has lost eligibility for, or is awaiting an eligibility determination for, a Federal, State, or local assistance program,

- b. The family would be evicted because it is unable to pay the minimum rent,
  - c. The income of the family has decreased due to changed circumstances, including loss of employment, and/or
  - d. A death has occurred in the family. (see definition of family).
2. When a family requests a minimum rent hardship exemption, the minimum rent must be suspended beginning the month following the family's hardship request and continue until the PHA determines whether there is a qualifying financial hardship and whether it is temporary or long-term. The family's request must be in writing and presented to management in order for the minimum rent to be suspended the beginning of the following month.
  3. The family must present reasonable verification/documentation of the hardship with the written request.
  4. The Authority will not evict the family for nonpayment of minimum rent during the 90-day period beginning the month following the family's written request for a hardship exemption and verification of hardship.
  5. If the Authority determines there is no qualifying financial hardship, the minimum rent is reinstated retroactively to the time of suspension and the family must pay the back rent within 30 days.
  6. If the Authority determines a qualifying financial hardship is temporary, the Authority will reinstate the minimum rent from the beginning of the suspension and require the family to sign a repayment agreement for a period not to exceed three months.
  7. If the Authority determines a qualifying financial hardship is long term, the Authority will exempt the family from the minimum rent requirements so long as the hardship continues.

#### **SECTION IV. RESIDENT'S OBLIGATIONS DURING OCCUPANCY**

- A. Payments: The Resident shall make all payments due to the Authority. All payments and charges owed to the Authority are due on the first day and late after the fifth day of the month. Failure to pay any amount when due gives the Authority the right to terminate the lease and begin eviction proceedings. If the Authority is forced to pursue an eviction proceeding in court, obtains judgment against the Resident and obtains a writ of possession for the sheriff to enforce the judgment, the Authority will not accept rent from the Resident after a judgment has been rendered, the unit is padlocked, and the Resident will be evicted. All payments to the Authority shall be by personal check, cashier's check or money order. Once a check is returned due to insufficient funds, all payments shall be made by cashier's check or money order. Only a cashier's check or money order will be accepted for units that are in the eviction process.
- B. No Assignment or Sublease: The Resident shall not assign the lease or sublease the dwelling unit.
- C. Use of Dwelling Unit Only for Family Dwelling: The Resident shall use the dwelling unit solely as a private dwelling for the Resident and the Resident's family as identified in the lease, and shall not use or permit the use of the dwelling unit for any other purpose. The Resident shall not provide accommodations for paying boarders or lodgers in the dwelling unit under any circumstances, or provide accommodations to guests or visitors for more than two (2) weeks at one time.
- D. Smoke/CO Detectors: The Resident shall not tamper with or disable any smoke/CO detector installed in the dwelling unit and is responsible for reporting all malfunctions or low batteries to Management Office.
- E. Necessity of Repairs: The Resident shall immediately notify the Authority of necessary maintenance, repairs, damages, defects, malfunctions, pests and rodents that occur within the confines of the Resident's dwelling unit and accompanying yard. The Authority shall be responsible for making repairs

within a reasonable time as set forth in the maintenance procedures. The severity of the condition shall determine the promptness in making the repair.

- F. Resident's Insurance, Release and Indemnity Provisions: The Resident shall be solely responsible for insuring any of his personal property located or stored upon the Premises against the risk of damage, destruction, or loss resulting from theft, fire, storm, and all other hazards and casualties. Regardless of whether the Resident secures such insurance, the Authority and his agents shall not be liable for any damage to, or destruction or loss of, any of the Resident's personal property located or stored upon the Premises regardless of the cause or causes of such damage, destruction, or loss, unless such loss or destruction is attributable to the intentional acts or willful or wanton negligence of the Authority. The Resident agrees to release and indemnify the Authority and his agents from and against liability for injury to the person of the Resident or to any members of his household resulting from any cause whatsoever except only such personal injury caused by the negligent, or intentional acts of the Authority or his agents.
- G. Disposal of Waste: The Resident shall dispose of all garbage, rubbish and other waste from the dwelling unit in a sanitary and safe manner; provided, however, that a Resident who is unable to perform such tasks because of age or verified physical disability shall be exempt.
- H. Reasonable Use of Mechanical Systems: The Resident shall use all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and appurtenances including elevators in a reasonable manner.
- I. Pets: Residents may be permitted to own and keep household pets in units accordance with HAWS pet policy and state/local laws regarding pets. Winston-Salem Housing Authority (HAWS) requires approval of any companion or services animal.
- J. Mandated Community Service Requirement: Under the new section 12 (c) of the U.S. Housing Act of 1937 regarding community service requirements for public housing residents, each adult resident of public housing must participate in community service activities at least eight (8) hours per month. Residents EXEMPT from the mandatory Community Service Requirement include residents who are elderly (62 and over), disabled, continuously employed at least eight (8) hours per month, exempt from work requirements under State welfare programs, residents receiving assistance under State welfare programs, residents receiving unemployment compensation, or residents attending school at least 8 hours per month. Failure to abide by community services requirements will be result in termination of the lease at the expiration.
- K. Work Activity Requirement: Each head of household must maintain a work activity of at least 30 hours per week. Each additional adult household member will increase the minimum number of work activity hours required by 10 hours per week (i.e. 3 adult household members would be 30 + 10 +10 = 50 hours per week of work activity for the household). Head of Households and/or adult household members who are elderly, disabled, or handicapped and receive payment in lieu of working are exempt from the work requirement. Should a household no longer meet the work requirement they will be granted a 60-day grace period to meet the work requirement. A 60-day extension may be granted with verification that the household is actively pursuing a work activity. A 60-day grace period and 60-day extension will only be granted once in a 12-month period. If a household is unable to achieve the work requirement within the 60-day grace period and subsequent extension (if granted) the household will be required to transfer to other traditional public housing that does not mandate a work requirement. The household must meet all other eligibility criteria to transfer.
- L. Impermissible Conduct: Neither the Resident nor any member of the Resident's family nor any visitor

or guest who is in the dwelling unit or on Authority property with the Resident's consent shall engage in the following conduct and is subject to lease termination:

1. Destruction: Destroying, defacing, damaging or removing any part of the dwelling unit or development.
2. Disturbance: Conducting themselves in a manner which disturbs other residents' peaceful enjoyment of their dwelling units.
3. Criminal Activity: Engaging in any criminal activity which threatens the health, safety or right to peaceful enjoyment of public housing premises by other residents or employees of the Authority, or engaging in any drug or drug-related activity on or off the Authority's premises.
4. Violence: Engaging in any act or threat of violence.
5. Firearms: Permitting the discharge of any firearm in the dwelling unit or anywhere on the Authority's premises.
6. Loitering: Loitering in or near the dwelling unit or on the Authority's premises for the purposes of engaging in any illegal activity.
7. Littering: Littering upon or defacing the Authority's premises.
8. Trespassing: Visitors and guests of Residents and other persons may be barred from the Authority's premises for good cause. If such person enters the Authority's premises after being barred, he or she may be arrested for trespassing. Upon a Resident's request, the Authority may lift its order barring a person from the Authority's premises if the Resident agrees to be responsible for the person's conduct.
9. Alcoholic Beverages: Consuming or displaying any alcoholic beverage on the Authority's premises except within the confines of the Resident's dwelling unit. A person shall be deemed to be consuming or displaying alcoholic beverages if the person is displaying, in possession of or in close proximity to an open alcoholic beverage container.
10. Smoking: Smoking is prohibited anywhere in or near the buildings, including apartments. Smoking will be limited to specifically designated areas only. Violators will be assessed a fine.
11. Fires: Permitting fires to occur in the Resident's dwelling unit or anywhere on the Authority's premises. It shall be a serious violation of the lease if the Resident permits a fire which causes damage that equals or exceeds One Thousand Dollars (\$1,000) to repair or replace, or if the Resident permits two fires that cause any damage at all. The Winston-Salem Fire Department's determination as to the cause of the fire shall be used by the Authority in determining whether a Resident permitted a fire due to the action or negligence of the Resident, member of the Resident's family or a visitor or guest.
12. ONE STRIKE AND YOU'RE OUT: Controlled Substance Use or Alcohol Abuse: Illegally using a controlled substance, or illegally using a controlled substance or abusing alcohol in a manner which is determined by the Authority to interfere with the health, safety or right to peaceful enjoyment of the premises by other residents.

M. Pest Extermination: The Resident shall allow pest extermination of the dwelling unit for roaches on an

annual basis, or more frequently if necessary. An exception to this requirement shall be granted only for verified medical reasons. The Resident shall be responsible for removing all items from the kitchen cabinets, closets and pantry to permit the extermination. If the Resident refuses to remove the necessary items, the Authority shall remove the items. If the Authority removes the items, the Resident shall be charged the Authority's documented labor charges for the removal. The Authority shall notify the Resident in advance of the date of extermination in accordance with the extermination schedule posted in the development office. If the Resident fails to allow the dwelling unit to be exterminated without being granted an exception by the Authority, the Resident shall be in violation of the lease and subject to eviction.

- N. Charge of Misdemeanor or Felony: Charge of a Resident, household member, or guest (who is visiting the unit) of a misdemeanor or felony committed anywhere involving violence, threat or danger to the person or property of others such as murder, rape, burglary, drug possession or trafficking in drugs, shall be cause for the Authority to terminate the Resident's right of further occupancy and to terminate the lease with regard to such Resident, if the Resident's continued presence would, in the opinion of the Authority, adversely affect the physical or social environment of the development.
- O. Compliance with Authority Regulations: The Resident shall abide by other necessary and reasonable regulations established by the Authority for the benefit and well-being of the development and the residents. Said regulations shall be posted in the development office.
- P. Routine Cleaning and Maintenance: The Resident (unless unable to perform such tasks because of age or verified disability) shall perform regular cleaning and maintenance tasks, which include the following:
1. Plumbing: Clean the plumbing fixtures (kitchen sink, bathtub, sink and toilet).
  2. Appliances: Clean the refrigerator and gas range and any other appliances supplied by the Authority.
  3. Light Fixtures: Wash the light globes and fixtures.
  4. Radiators: Clean and dust the radiators.
  5. Windows: Wash the windows, both inside and outside, and the window sills.
  6. Floors: Wax the hardwood floors and wash and wax the linoleum floors when needed and wash all other woodwork, including doors, baseboards, trim and stairwell.
  7. Walls and Ceiling: Wash the walls and ceiling.
  8. Porches: Wash porches and steps, both front and rear.
  9. Lawn: Remove all paper, trash and debris from the dwelling unit's assigned lawn.
- Q. Resident's Right to Use and Occupy: Subject to the provisions of this Statement of Policies, Resident shall have the right to exclusive use and occupancy of the dwelling unit. With the written consent of the Authority, the Resident may accommodate on a full-time basis foster children and a live-in aide for a disabled family member. The Resident is at all times responsible for the conduct of guests, visitors, foster children and live-in aides. The Authority is not obligated to transfer a Resident to a larger unit to permit the Resident to accommodate a foster child or live-in aide. The Resident shall not engage in any

profit-making activities in the dwelling unit without the advance written consent of the Authority. Such activities, if approved, shall be incidental to the primary use of the dwelling unit as a private dwelling for the Resident and the Resident's family.

- R. Pre-occupancy and Post-occupancy Inspections: The Resident shall accompany a representative of the Authority in conducting pre-occupancy and post-occupancy inspections of the dwelling unit, as provided in section V(J) below.

## **SECTION V. THE AUTHORITY'S OBLIGATIONS DURING THE RESIDENT'S OCCUPANCY**

- A. Collect Rent: The Authority shall collect all rent, retroactive rent, maintenance/repair and utility charges provided for by the lease and this Statement of Policies.
- B. Comply with Legal Requirements: The Authority shall comply with requirements of applicable building codes, housing codes and HUD regulations materially affecting residents' health and safety.
- C. Disabled Persons and Individuals with Disabilities: The Authority shall make reasonable accommodation to permit a Disabled Person or Individual with Disability the opportunity to use and enjoy a dwelling unit. However, the Authority shall have no duty to provide such persons with support services such as medical, social or counseling services, other than those offered to all residents. If the accommodations for the person would result in an undue financial or administrative burden to the Authority, the Authority may refuse to make the accommodation.
- D. Trash Cans: The Authority shall provide and maintain appropriate receptacles and facilities (except containers for exclusive use of an individual dwelling unit) for the deposit of garbage, rubbish and other waste removed from the dwelling unit by the Resident. The Authority shall remove such from a dwelling unit occupied by an Elderly Family.
- E. Water and Heat: The Authority shall supply running water to each Resident, except where water is supplied by a direct utility connection. The Authority shall supply a reasonable amount of hot water and heat (during the winter months) to each Resident except where hot water or heat is generated by an installation within the exclusive control of the Resident and supplied by a direct utility connection.
- F. Maintenance of Common Areas: The Authority shall keep development buildings, facilities, elevators and common areas not otherwise assigned to a Resident for maintenance and upkeep, in a clean and safe condition.
- G. Mechanical Systems in Dwelling Units: The Authority shall maintain in good working order the electrical, plumbing, sanitary, heating, ventilating and other facilities and appliances within a dwelling unit which are supplied by the Authority. The Authority shall be responsible for making necessary repairs to a dwelling unit within a reasonable time as set forth in the maintenance procedures. The severity of the condition shall determine the promptness in making the repair. In the event significant repair is required in a dwelling unit, the Authority may in its discretion offer alternative temporary accommodations to the Resident.
- H. Pest Extermination: The Authority shall provide exterminating services for roaches in the dwelling unit on an annual basis. The Authority shall provide exterminating services for bedbugs as professionally deemed necessary. The Resident is responsible for adhering to required extermination procedures.
- I. Notice of Adverse Action: The Authority shall notify the Resident of the specific grounds for any proposed adverse action by the Authority. Such adverse action includes a proposed lease termination,



transfer of the Resident to another dwelling unit, or imposition of charges for maintenance, repair or excess consumption of utilities. If the Resident disagrees with the action proposed by the Authority, the Resident may appeal the decision consistent with the Authority's grievance procedures. Any grievance must be filed within seven (7) working days from the date of the notification of the Authority's action which is the subject of the grievance.

J. Pre-occupancy, Occupancy and Post-occupancy Inspections:

1. Pre-occupancy Inspection: The Authority and the Resident (who may be accompanied by a representative) shall inspect the dwelling unit prior to occupancy by the Resident. The Authority shall furnish the Resident with a written statement of the condition of the dwelling unit and the equipment and appliances provided within the dwelling unit. The statement shall be signed by the Authority and the Resident, and a copy of the statement shall be retained by the Authority in the Resident's file. Damage discovered during the pre-occupancy inspection shall be repaired at no charge to the Resident. Such repairs may delay the Resident's occupancy of the dwelling unit.
2. Semi-annual Inspection: The Authority shall conduct an inspection of the dwelling unit at least twice per year to determine the condition of the dwelling unit, appliances and equipment, and shall provide the Resident with a written statement of the results of the inspection. If the inspection uncovers damages to the dwelling unit caused by the Resident, the Resident's family or a guest, the Resident shall be charged for repairs.
3. Post-occupancy Inspection: The Authority shall inspect the dwelling unit, appliances and equipment at the time the Resident vacates the dwelling unit. The Resident may participate in the vacancy inspection unless the Resident vacated the dwelling unit without notice to the Authority.
4. The Authority shall furnish the Resident with a written statement of the vacancy inspection and a list of any charges made for repairs. A copy of the statement shall be retained by the Authority in the Resident's file.

K. Entry of Dwelling Unit During Tenancy: Circumstances under which the Authority may enter the dwelling unit during the Resident's occupancy are as follows:

1. Routine Inspections, Maintenance and Repairs, Showing the Unit: Upon two days' advance written notice to the Resident, the Authority may enter the dwelling unit during reasonable hours to perform routine inspections, pest extermination, maintenance and repairs, or to show the dwelling unit for re-leasing. No notice by the Authority is required if the Resident has requested maintenance and/or repairs to their dwelling unit and the sole purpose of entering the unit is to perform the requested maintenance and/or repairs.
2. Entry in Emergency : The Authority may enter the dwelling unit at any time without advance notification when there is reasonable cause to believe that an emergency exists. A definition of an emergency for this purpose may include fire, water or gas leakage, toilet stoppage, no heat or no lights within the confines of the dwelling unit, or gunfire being reported as having occurred in the dwelling unit.
3. Notice upon Entry: In the event that the Resident and all adult members of the Resident's family are absent from the dwelling unit at the time of entry, the Authority shall leave a written statement specifying the date, time and purpose of entry prior to leaving the dwelling unit.

## SECTION VI. TERMINATION OF THE LEASE

- A. Termination of the Lease by the Authority: The Housing Authority may terminate a lease for any serious violation or repeated violations of the terms of the lease such as failure to make payments due under the lease, failure to fulfill the Resident's obligations set forth in of the lease or for other good cause.
- B. Lease Termination Notice:
1. Notice Period: The Authority shall give written notice of termination of the lease in the following manner:
    - a. Fourteen (14) days notice shall be given for failure to pay rent and charges. If rent and charges are not paid by the seventh calendar day of the month, on the eighth day a 14-day eviction notice shall be sent to the Resident. A summary ejectment action shall be filed in the office of the Forsyth County Clerk of Court on the 23rd day of the month if rent is not paid. The Resident shall be obligated to pay the unpaid balance in full plus court costs before the Authority will dismiss the summary ejectment action. Non-payment of rent constitutes material noncompliance of the lease and may result in termination of the lease. Once padlock occurs for any reason, the resident may only be permitted to enter the unit one time during the 10-day padlock time in order to remove items from the unit.
    - b. A reasonable time (but not to exceed thirty (30) days) when the health or safety of other residents or the Authority's employees are threatened, or the termination is due to any drug-related activity on/off the Authority's premises.
    - c. Thirty (30) days in all other cases such as poor housekeeping, criminal conviction of a Resident or member of the Resident's family, failure to transfer to traditional public housing due to non-compliance of CSS or working requirement, or any violation of the lease.
  2. Contents of Notice: The notice of lease termination shall state the grounds for termination and shall give notice of the Resident's right to make such reply as the Resident may wish. The notice shall state that the Resident may appeal the decision pursuant to the Authority's grievance procedures. The notice shall also inform the Resident of the right to examine Authority documents directly relevant to the termination or eviction.
- C. Opportunity for a Hearing Prior to Termination: If the Resident disagrees with the termination, the Resident may appeal the decision consistent with the Authority's grievance procedures. The grievance procedures require that a grievance be filed, in writing within seven (7) working days following the date of the notice of lease termination, except when the termination is due to any criminal activity that threatens the health, safety or right to peaceful enjoyment of the Authority's premises by other Residents or the Authority's employees or if the termination is due to any drug-related activity on/off the Authority's premises, in which case an expedited grievance procedure is used and the Resident must file the grievance within two (2) working days from the date of the notice of lease termination.
- D. Termination of the Lease by the Resident: The lease may be terminated by the Resident at any time by giving the Authority written notice at least 30 days in advance.
- E. Abandonment of Dwelling Unit by the Resident: The Authority shall determine whether a Resident has abandoned the dwelling unit in accordance with North Carolina law.

- F. Certifying a Termination: A Form HUD-50058 shall be completed upon termination of the lease to certify the accuracy of the information in the Resident's file.

## SECTION VII. MISCELLANEOUS

- A. Notice Procedures: The Authority and the Resident shall give notice to each other when required by the lease or this Statement of Policies in the following fashion:

1. From Authority to Resident: Notice from the Authority to the Resident shall be in writing and personally delivered to the Resident or to an adult family member sent by prepaid first-class mail or certified mail, properly addressed to the Resident, except that notice to the Resident regarding entry by the Authority into the dwelling unit for maintenance and repair may be given as provided in the previous sentence or by posting notice of the entry on the dwelling unit door as provided in section V(K)(3) above. Notice to a Resident who is visually impaired shall be delivered in an accessible format.
2. From Resident to Authority: Notice from the Resident to the Authority shall be in writing and personally delivered to the development office or sent by prepaid first-class mail, properly addressed to the Development.

- B. Violence Against Women Act (VAWA): In accordance with the Violence Against Women Act (VAWA), documented incident or incidents of actual or threatened domestic violence, dating violence, or stalking may not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence, and shall not be good cause for terminating the assistance of the victim of such violence. The Authority may bifurcate a lease or remove a household member from a lease in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts or threatened acts of violence or stalking to family members or others without evicting, removing, terminating the assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant.

The Authority will require certification and/or documentation, in accordance with VAWA statutes and regulations, by the victim of victim status on such forms as the Authority and/or HUD may prescribe or as regulations allow. Required documentation must be submitted to management within 10 days of the Authority's request. The Authority shall abide by any and all VAWA statutes and regulations as applicable to Housing Authorities.

- C. Availability of Documents to the Resident upon Eviction Notice: The Authority shall provide the Resident the reasonable opportunity to examine any documents which are in the possession of the Authority which are directly relevant to the Resident's eviction or to termination of the lease. The Resident shall be allowed to copy such documents at the Resident's expense. A notice of lease termination shall inform the Resident of this right. If the Authority does not make relevant documents available for examination upon request by the Resident, the Authority shall not proceed with the eviction.
- D. Grievance Procedures: The Authority's grievance procedures shall govern the resolution of any dispute concerning the Authority's action or failure to act in accordance with the Resident's lease, or Housing Authority regulations which adversely affect the Resident's rights, duties, welfare or status. A copy of the grievance procedures shall be posted in the development office and is incorporated herein by reference.

- E. Modification of the Lease: Modification of the lease shall be accomplished only by a written amendment to the lease executed by both parties, except for the terms of the Dwelling Lease and the Monthly Rent.
- F. Governing Policies and Regulations:
1. Schedules of Charges and Authority Policies: Schedules of charges for services, repairs and utilities and copies of relevant Authority policies and procedures shall be publicly posted in a conspicuous place in each development office and shall be furnished to an Applicant or Resident on request. Such schedules, policies and procedures may be modified from time to time by the Authority provided that the Authority gives at least 30 days prior written notice to Residents setting forth the proposed modification and the reason therefore, and Residents have an opportunity to present written comments which shall be taken into consideration by the Authority prior to the proposed modification becoming effective. A copy of such notice shall be delivered personally or mailed to each Resident, or posted in at least three (3) conspicuous places within the structure or building in which the affected dwelling units are located, as well as in a conspicuous place at the development office.
  2. Posting Certain Materials and HUD Regulations: There shall be maintained in every development office a bulletin board in a public place on which the following materials shall be posted:
    - a. This Statement of Policies governing admission and continued occupancy.
    - b. Resident selection and assignment plan.
    - c. Open occupancy notice.
    - d. Directory of developments including names, perimeter streets, number of units by bedroom size, number of units specifically designed for the elderly, addresses of development offices and office hours.
    - e. The Authority's rent schedule and income requirements.
    - f. Schedule of utility allowances and charges for excessive utility consumption, maintenance and repair.
    - g. Lease form.
    - h. Grievance procedures and any other complaint procedure, including the address to which complaints may be sent.
    - i. Fair housing poster.
    - j. "Equal Opportunity in Employment" poster.
    - k. Resident oriented notices.
- F. Record Keeping
1. Overview: The Authority will maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. All such records will be made available to HUD or the Comptroller General of the United States upon request. In addition, the Authority will ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights.
  2. Record Retention  
During the term of each assisted lease, and for at least three years thereafter, the Authority will keep:
    - A copy of the executed lease; and

- The application from the family.

In addition, the Authority will keep the following records for at least three years:

- Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;
- An application from each ineligible family and notice that the applicant is not eligible;
- HUD-required reports;
- Unit inspection reports;
- Lead-based paint records as required by 24 CFR 35, Subpart B.
- Accounts and other records supporting Authority's budget and financial statements for the program; and
- Other records specified by HUD.

3. Records Management: The Authority will maintain applicant and participant files and information in accordance with the regulatory requirements described below.

#### PHA Policy

All applicant and participant information will be kept in a secure location and access will be limited to authorized Authority staff.

Authority staff will not discuss personal family information unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

4. Privacy Act Requirements

The collection, maintenance, use, and dissemination of social security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, and income information of applicants and participants will be conducted, to the extent applicable, in compliance with the Privacy Act of 1974, and all other provisions of Federal, State, and local law.

Applicants and participants, including all adults in the household, are required to sign a consent form, HUD-9886, Authorization for Release of Information. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form may be used, and under what conditions HUD or the PHA may release the information collected.

1. Enterprise Income Verification (EIV) Records

The Authority will follow the specific monitoring, evaluating, recording, and reporting procedures that are contained in all Enterprise Income Verification Notices and follow the security requirements in the *Enterprise Income Verification System Security Procedures* to ensure that all EIV data is protected in accordance with Federal laws, regardless of the media on which the data is recorded (e.g. electronic, paper).

#### PHA Policy

The PHA will implement EIV security procedures required by HUD. EIV data will be shredded once the documentation is not necessary.

## ADDENDUM 1

### Adoption of Temporary Provisions

The provisions enumerated in this addendum shall supercede any contrary policies and procedures in the Admissions and Continued Occupancy Plan for the Housing Authority of the City of Winston-Salem. The Housing Authority will adopt the following temporary provisions approved by the Authority's Board of Commissioners.

1. Allow households to self-certify as to having assets of less than \$5,000
  - a. Tenants with assets below \$5,000 typically generate minimal income from these assets which results in small changes to tenant rental payments. However, the authority spends significant time verifying such assets which strains the PHA budget, and leads to increased staff errors. This provision is intended to simplify the requirements associated with determining a participant's annual income. Families with assets are required to report all assets annually. The amount of interest earned on those assets is included as income used to calculate the tenant's rent obligation. Currently, where the family has net family assets in excess of \$5,000, annual income includes 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. (24 CFR 5.609(a)(2)).

This provision allows for the authority to accept a family's declaration of the amount of assets of less than \$5,000, and the amount of income expected to be received from those assets. The authority's application and reexamination documentation, which is signed by all adult family members, can serve as declaration. Where the family has net family assets equal to or less than \$5,000, the authority does not need to request supporting documentation (e.g. bank statements) from the family to confirm the assets or the amount of income expected to be received from those assets. Where the family has net family assets in excess of \$5,000, the authority will obtain supporting documentation (e.g. bank statements) from the family to confirm the assets. Any assets will continue to be reported on HUD Form 50058.

2. Allow optional streamlined annual reexaminations for elderly families and disabled families on fixed incomes.
  - a. The authority is required to verify income and calculate rent annually, including for elderly and disabled families on fixed incomes. The requirement to undertake the complete process for income verification and rent determination for families on fixed incomes is not necessary given the infrequency of changes to their incomes. Further, this requirement requires considerable staff time and agency resources. This provision is intended to simplify the requirements associated with determining the annual income of participants on fixed incomes. (24 CFR 982.516, 960.257).

The authority will opt to conduct a streamlined reexamination of income for elderly families and disabled families when 100 percent of the family's income consists of fixed income. In a streamlined reexamination, the agency will recalculate family incomes by applying any published cost of living adjustments to the previously verified income amount.

The term "fixed income" includes income from:

1. Social Security payments to include Supplemental Security Income (SSI) and Supplemental Security Disability Insurance (SSDI);
2. Federal, State, local, and private pension plans; and
3. Other periodic payments received from annuities, insurance policies, retirement funds, disability or death benefits, and other similar types of periodic receipts that are of substantially the same amounts from year to year.

**APPENDIX A**

**INCOME LIMITS**

The maximum amount of annual income a family may receive to be eligible for admission for the Authority's housing program for Very Low Income and Lower Income families is determined annually by HUD and shall be posted in the Authority's central office and in each development office.

The Authority must reserve a minimum of 40 percent of its Public Housing New Admissions for families "whose incomes do not exceed 30 percent of the area median income".

**APPENDIX B**

**UTILITIES**

**I. The Oaks at Tenth**

**RESIDENT-SUPPLIED UTILITY ALLOWANCES FOR ELECTRICITY AND WATER-SEWER**

1, 2 and 3 Bedroom Units - TBA



APPENDIX C

NOTICE

The facilities and services in this public housing authority's low-rent housing program are provided on a non-discriminatory basis.

Applications for admission may be filed at:

Each Development's Office

The following Public Housing developments are operated by the authority and contain the number of units indicated in the various bedroom sizes.

NO. OF DEVELOPMENT	NAME AND ADDRESS OF DEVELOPMENT	TOTAL UNITS	0BR	1BR	2BR	3BR	4BR	5 BR
NC12-22	Stoney Glen	50	0	0	50	0	0	0
NC12-3	Piedmont Park 1130 EAST 29th ST.	240	0	42	116	62	20	0
NC12-21	Townview	50	0	0	36	14	0	0
NC12-6	Cleveland Ave. Homes 1135 East 15th St.	244	0	28	120	68	28	0
NC12-8	Sunrise Towers	195	75	120	0	0	0	0
NC12-9	Crystal Towers	201	81	120	0	0	0	0
NC12-12	Healy Towers	105	30	75	0	0	0	0
NC12-37	The Oaks at Tenth	50	0	22	22	8	0	0

The Authority shall not, on account of race, creed, national origin, sex, age, disability, family status or religion deny to any family the opportunity to apply for admission, nor deny to any eligible applicant the opportunity to lease or rent a dwelling unit suitable to its need in any development.

A site-based waiting list at each development is maintained and applicants are selected for appropriate size units in accordance with the preferences and priorities set forth in the Statement of Policies Governing Admission and Continued Occupancy, according to the date and time the application was filed.