Project-based Section 8 Administrative Plan

King County Housing Authority

This is the latest version as of: 07/20/2026

TABLE OF CONTENTS

1: INTRODUCTION 1-1

A. THE KING COUNTY HOUSING AUTHORITY'S MOVING TO WORK AGREEMENT 1-1

B. DESCRIPTION OF PROJECT-BASED ASSISTANCE 1-1

C. HOW PROJECT-BASED ASSISTANCE IS FUNDED 1-2

D. MAXIMUM RESOURCES DEDICATED TO PROJECT-BASED ASSISTANCE 1-2

E. POLICY GOALS 1-2

F. JURISDICTION RESTRICTIONS 1-3

G. MAXIMUM NUMBER OF PROJECT-BASED UNITS IN A DEVELOPMENT 1-3

H. PROJECT-BASED ASSISTANCE PROGRAMS 1-3

I. POTENTIAL PROJECT-BASED ASSISTANCE PROGRAMS 1-5

J. BLOCK GRANT POLICIES 1-5

K. FAIR HOUSING 1-6

L. ETHICAL STANDARDS 1-6

M. CATASTROPHIC PLANNING 1-7

2: DEFINITION OF TERMS 2-1

3: ALLOCATION OF PROJECT-BASED ASSISTANCE 3-1

A. METHODS TO ALLOCATE PROJECT-BASED ASSISTANCE 3-1

B. PUBLIC NOTICE OF PROJECT-BASED ASSISTANCE COMPETITION 3-3

C. PUBLIC NOTICE OF OWNER SELECTION 3-3

4: OWNER APPLICATION REQUIREMENTS 4-1

A. ELIGIBLE OWNERS 4-1

B. THE OWNER'S APPLICATION 4-1

5: HOUSING TYPE 5-1

A. ELIGIBLE HOUSING TYPES 5-1

B. INELIGIBLE HOUSING TYPES 5-2

6: SITE SELECTION STANDARDS 6-1

A. ALL PROJECTS 6-1

B. ADDITIONAL SITE STANDARDS FOR NEW CONSTRUCTION 6-2

7: SUPPORT SERVICES 7-1

A. OWNER'S ABILITY TO PROVIDE SERVICES 7-1

B. OWNER EXPERIENCE IN PROVIDING SERVICES 7-1
C. TYPES OF SUPPORTIVE SERVICES 7-1
D. HOUSEHOLD REQUIREMENT TO PARTICIPATE IN SERVICES 7-2
E. TERMINATION OF SERVICES 7-2
F. MONITORING OF SERVICES 7-2
8: SUBSIDY LAYERING REVIEW 8-1
A. SUBSIDIZED UNITS INELIGIBLE FOR ASSISTANCE 8-1
B. OWNER DISCLOSURE 8-2
C. OWNER CERTIFICATION 8-2
D. KCHA FEASIBILITY REVIEW 8-3
E. KCHA CERTIFICATION 8-4
9: OTHER FEDERAL REGULATIONS 9-1
A. ENVIRONMENTAL REVIEW 9-1
B. UNIFORM RELOCATION ACT 9-3
C. LABOR STANDARDS (DAVIS BACON, SECTION 3, EQUAL OPPORTUNITY) 9-4
10: THE AGREEMENT TO ENTER INTO A HOUSING ASSISTANCE PAYMENTS CONTRACT (AHAP) 10-1
A. PURPOSE OF THE AHAP 10-1
B. WHEN KCHA WILL ENTER INTO AN AHAP 10-1
C. FORM OF THE AHAP 10-2
D. CONTENTS OF THE AHAP 10-2
E. WHEN AHAP IS EXECUTED 10-3
F. COMPLETION OF HOUSING DEVELOPMENT 10-4
G. EXECUTION OF HAP CONTRACT 10-4
11: THE HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP CONTRACT) 11-1
A. PURPOSE OF HOUSING ASSISTANCE PAYMENTS CONTRACT 11-1
B. FORM OF THE HAP CONTRACT 11-1
C. OWNER CERTIFICATION 11-2
D. WHEN THE HAP CONTRACT IS EXECUTED 11-3
E. HAP CONTRACT TERM 11-3
F. EXTENSION OF TERM 11-4
G. TERMINATION BY KCHA FOR INSUFFICIENT FUNDING 11-4
H. CHANGE IN OWNERSHIP 11-5

I. ATTACHING ASSISTANCE TO UNITS 11-5
J. AMENDMENT TO ADD CONTRACT UNITS 11-6
K. AMENDMENT TO DECREASE CONTRACT UNITS 11-6
L. OWNER NON-COMPLIANCE WITH HAP CONTRACT 11-6
12: CONTRACT RENTS 12-1
A. DATA USED TO DETERMINE THE CONTRACT RENT AMOUNT 12-1
B. DETERMINATION OF CONTRACT RENT 12-3
C. OWNER REQUEST TO REVISE THE CONTRACT RENT 12-4
D. OTHER FEES AND CHARGES 12-4
E. CONTRACT RENTS FOR SPECIAL HOUSING TYPES 12-5
13: TENANT APPLICATION PROCESS 13-1
A. GENERAL APPLICATION REQUIREMENTS 13-1
B. ORDER OF SELECTION- ALL PROGRAM CATEGORIES 13-3
C. TIMING/VERIFICATION OF LOCAL PREFERENCE 13-4
D. DENIAL OF LOCAL PREFERENCE 13-5
E. REMOVING APPLICANT NAMES FROM A WAITLIST 13-5
F. HOUSED STATUS 13-6
G. APPLICATION PROCEDURES –PERMANENT REPLACEMENT HOUSING PROGRAM 13-6
H. APPLICATION PROCEDURES- PUBLIC HOUSING REDEVELOPMENT 13-11
I. APPLICATION PROCEDURES-LOCAL PROGRAM (INCLUDING TAX CREDIT) 13-11
J. APPLICATION PROCEDURES- PERMANENT SUPPORTIVE HOUSING 13-13
14: TENANT ELIGIBILITY 1
A. ELIGIBILITY FOR INITIAL SCREENING 1
B. ELIGIBILITY OF STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION 7
C. KCHA OPTION TO PROVIDE INFORMATION TO OWNERS ABOUT APPLICANT HOUSEHOLDS 8
D. OWNER-DETERMINED TENANT SELECTION CRITERIA 9
15: ACCOMMODATION OF PERSONS WITH DISABILITIES 15-1
A. REGULATORY BACKGROUND 15-1
B. DEFINITION - PERSON WITH A DISABILITY (SEE DEFINITIONS SECTION 2) 15-1
C. RESTRICTIONS ON QUESTIONS ASKED OF PEOPLE WITH DISABILITIES 15-2
D. VERIFICATION OF DISABILITY 15-3
E. CONFIDENTIALITY OF DISABILITY INFORMATION 15-4

F. VERIFICATION OF NEED FOR REASONABLE ACCOMMODATION 15-4
G. GENERAL POLICY GUIDELINES ON REASONABLE ACCOMMODATIONS 15-4
H. EXAMPLES OF REASONABLE ACCOMMODATIONS 15-5
I. GENERAL GUIDELINES FOR REVIEWING REASONABLE ACCOMMODATION REQUESTS. 15-6
J. GENERAL GUIDELINES FOR PROCESSING REASONABLE ACCOMMODATION REQUESTS . 15-7
K. DISAGREEMENT WITH TYPE OF ACCOMMODATION 15-8
L. REVIEW AND/OR DISCONTINUANCE OF REASONABLE ACCOMMODATION 15-9
M. SPECIFIC REASONABLE ACCOMMODATIONS 15-9
16: SUBSIDY STANDARDS 16-1
A. MINIMUM HOUSING STANDARDS 16-1
B. GENERAL HOUSING PRINCIPLES 16-1
C. OWNER SUBSIDY STANDARDS 16-3
D. INAPPROPRIATE UNIT SIZE OR ACCESSIBLE UNITS 16-3
E. GRANTING OF EXCEPTIONS TO UNIT SIZE STANDARDS 16-5
17: VERIFICATIONS 17-1
A. VERIFICATIONS 17-1
B. EFFECTIVE TERM OF VERIFICATIONS 17-2
C. METHODS OF VERIFICATION 17-2
D. ENTERPRISE INCOME VERIFICATION (EIV) 17-3
E. DISPUTED, UNREPORTED OR SUBSTANTIAL DIFFERENCES IN INCOME 17-4
F. SPECIFIC FORMS OF VERIFICATION 17-5
G. EXCEPTIONS TO VERIFICATION PROCEDURES 17-5
18: PARTICIPANT BRIEFING 18-1
A. BRIEFING OF PARTICIPANTS 18-1
B. WHEN A BRIEFING IS CONDUCTED BY NON-KCHA STAFF 18-1
C. BRIEFING TOPICS 18-1
D. BRIEFING AND TENANCY INFORMATION PACKET 18-2
E. SPECIAL CIRCUMSTANCES 18-3
19: HOUSING QUALITY STANDARDS AND INSPECTIONS 19-1
A. THE HOUSING QUALITY INSPECTION 19-1
B. CORRECTION OF FAILED ITEMS 19-3
C. LEAD-BASED PAINT 19-4

D. HOUSING QUALITY STANDARD UPGRADES 19-4
E. HQS ALLOWANCES SPECIFIC TO PROJECT-BASED 19-5
F. INFESTATION 19-7
G. RECORD KEEPING 19-7
H. MONITORING (THIS SECTION DOES NOT APPLY TO KCHA MANAGED PROPERTIES) 19-8
I. HQS PILOT PROGRAM 19-8
20: RECERTIFICATION OF FAMILY INCOME, COMPOSITION, AND DEDUCTIONS 20-1
A. REVIEW OF FAMILY ELIGIBILITY 20-1
B. THE RECERTIFICATION PROCESS 20-1
C. EFFECTIVE DATE OF CHANGES FOR RECERTIFICATIONS 20-2
D. OWNER REQUEST FOR RENT INCREASE 20-2
E. RECERTIFICATION RULES SPECIFIC TO EASY RENT HOUSEHOLDS 20-3
F. RECERTIFICATION RULES SPECIFIC TO WIN RENT HOUSEHOLDS 20-3
G. INTERIM RECERTIFICATION RULES FOR EASY RENT AND WIN RENT HOUSEHOLDS 20-4
H. SPECIAL REVIEWS 20-6
I. PROCESSING INTERIM AND SPECIAL RECERTIFICATIONS 20-7
J. DEBT COLLECTION PROCEDURES 20-10
K. GENERAL REVIEW PROCEDURES 20-13
21: LEASING AND TENANCY 21-1
A. THE DWELLING LEASE 21-1
B. OWNER SECURITY DEPOSIT 21-2
C. DETERMINATION OF HOUSING ASSISTANCE PAYMENT 21-3
D. DETERMINATION OF TENANT RENT AND TOTAL TENANT PAYMENT 21-4
E. RENT CALCULATIONS FOR OVER-INCOME PUBLIC HOUSING REDEVELOPMENT PARTICIPANTS 21-10
F. RENT CALCULATIONS FOR FAMILIES WITH NONCITIZEN MEMBERS 21-10
G. RENT CALCULATIONS FOR GROUP HOMES AND SHARED HOUSING 21-10
H. DETERMINATION OF THE ENERGY ASSISTANCE SUPPLEMENT 21-12
I. VACANCIES 21-14
22: CONTINUED ASSISTANCE 22-1
A. FAMILIES ELIGIBLE FOR CONTINUED ASSISTANCE 22-1
B. FAMILIES CONSIDERED INELIGIBLE FOR CONTINUING ASSISTANCE WHO: 22-1
C. ELIGIBILITY FOR CONTINUED SUBSIDY IN CASES WHERE A FAMILY BREAKS-UP 22-2

D. ELIGIBILITY FOR CONTINUED ASSISTANCE DUE TO ABSENCE FROM THE UNIT 22-2
E. TRANSFERS 22-3
F. ALTERNATIVE FORMS OF ASSISTANCE 22-3
23: TERMINATION OF PROJECT-BASED ASSISTANCE 23-1
A. TERMINATION OF A PARTICIPANT'S HOUSING ASSISTANCE PAYMENTS BY THE AUTHORITY 23-1
B. TERMINATION OF HAP CONTRACT BY KCHA 23-7
C. TERMINATION OF TENANCY BY THE OWNER 23-9
D. TERMINATION OF THE HAP CONTRACT BY THE OWNER 23-10
E. TERMINATION OF TENANCY BY FAMILY 23-10
24: INFORMAL REVIEW AND HEARING PROCEDURES 24-1
A. INFORMAL REVIEW PROCEDURES FOR PROJECT-BASED APPLICANTS 24-1
B. INFORMAL HEARING PROCEDURES FOR PROJECT-BASED PARTICIPANTS (EXCEPT FOR GREENBRIDGE AND KCHA MANAGED PROPERTIES) 24-2
C. INFORMAL HEARING PROCEDURES FOR A PROJECT-BASED RESIDENT (GREENBRIDGE AND KCHA MANAGED PROPERTIES) 24-6
D. INFORMAL HEARING PROCEDURES FOR AN OWNER 24-12
25: EXHIBIT A- INCOME INCLUSIONS 1
26: EXHIBIT B - INCOME EXCLUSIONS 26-1
27: EXHIBIT C- CLARIFICATIONS ON INCOME, ASSETS AND ALLOWANCES 27-1
I. ANNUAL INCOME 27-1
II. ASSETS 27-7
III. ADJUSTED INCOME – ALLOWABLE EXPENSES (DEDUCTIONS) 27-10
IV. GUIDELINES FOR IMPUTING INCOME FROM ASSETS 27-13
28: EXHIBIT D - PAYMENT STANDARD/INCOME LIMITS 28-1
29: EXHIBIT E- ACCEPTABLE FORMS OF VERIFICATION 29-1
I. INCOME VERIFICATION 29-1
II. ASSET VERIFICATION 29-4
III. VERIFICATION OF DEDUCTION/ALLOWANCES 29-6
IV. OTHER GENERAL VERIFICATION 29-8
V. VERIFICATION FOR TENANT SELECTION PREFERENCES 29-8
VI. SOCIAL SECURITY DISCLOSURE AND DOCUMENTATION 29-11
VII. VERIFICATION OF RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS 29-14

30: EXHIBIT F- DISPOSITION OF RECORDS POLICY 30-1
31: EXHIBIT G - TRANSFER POLICY 31-1
I. PURPOSE.....31-1
II. APPLICABILITY.....31-1
III. OBJECTIVES OF THE TRANSFER POLICY.....31-3
IV. DETERMINING THE APPROPRIATE HOUSING RESOURCE.....31-3
V. CATEGORIES OF TRANSFERS.....31-4
VI. ORDER OF SELECTION.....31-8
VII. INABILITY TO LOCATE AN APPROPRIATE HOUSING RESOURCE 31-9
VIII. REJECTION OF A UNIT OFFER.....31-10
IX. COST OF THE FAMILY'S MOVE 31-11
X. TENANTS IN GOOD STANDING.....31-12
XI. TENANT REQUESTED TRANSFERS 31-12
XII. RIGHT OF THE HOUSING AUTHORITY IN TRANSFER POLICY 31-12
XIII. EMERGENCY TRANSFER PLAN FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING 31-12
32: EXHIBIT H- CONFIDENTIALITY OF TENANT RECORDS.....31-1
I. GENERAL POLICY.....32-1
II. DATA COLLECTION AND DISCLOSURE.....32-1
III. SPECIAL PRIVACY AND CONFIDENTIALITY RULES RELATING TO CRIMINAL RECORDS 32-2
IV. HA GUIDELINES ON RELEASE OF INFORMATION 32-2
33: EXHIBIT I- (RESERVED) 33-1
34: EXHIBIT J - HOUSING CHOICE VOUCHER PROGRAM CLIENT ASSISTANCE POLICY .34-1
35: EXHIBIT K- HQS GUIDELINES FOR INSPECTORS.....35-1
A. FURNACES.....35-1
B. SITE AND NEIGHBORHOOD CONDITIONS 35-1
36: EXHIBIT L- (RESERVED) 36-1
37: EXHIBIT M- LEAD BASED PAINT REGULATIONS.....37-1
I. GENERAL POLICY.....37-1
II. HUD STANDARDS FOR STABILIZING DETERIORATED PAINT 37-2
III. CLEARANCE REPORT 37-5
38: EXHIBIT N- (RESERVED) 38-1

39: EXHIBIT O- LIST OF MAJOR AND MINOR FAIL ITEMS 39-1
40: EXHIBIT P- HOUSING AUTHORITY CODE OF CONDUCT.....40-1
41: EXHIBIT Q- AFFIRMATIVELY FURTHERING FAIR HOUSING PLAN.....41-1
42: EXHIBIT R- ORIGINAL PROJECT-BASED PROGRAM POLICY.....42-1
I. BACKGROUND 42-2
II. PROBLEM STATEMENT 42-3
III. POLICY GOALS.....42-8
IV. PROGRAM CATEGORIES.....42-11
V. POLICY RECOMMENDATIONS 42-12
VI. IMPLEMENTATION AND EVALUATION.....42-19
43: EXHIBIT S- ENERGY ASSISTANCE SUPPLEMENT TABLE.....43-1
44: EXHIBIT T- INCOME BAND TABLES.....44-1

1: INTRODUCTION

A. THE KING COUNTY HOUSING AUTHORITY'S MOVING TO WORK AGREEMENT

The US Department of Housing and Urban Development (HUD) has established a **Moving to Work Demonstration Program** in which high-performing housing authorities, including the King County Housing Authority (KCHA), have the opportunity to develop their own housing programs and policies based on local needs and circumstances in lieu of the provisions of the 1937 Housing Act. KCHA has established an MTW Agreement with HUD, under which KCHA is authorized to develop a locally designed Section 8 Project-based Assistance Program and Policy. KCHA's Board of Commissioners adopted the "Project-based Assistance Program Policy" on May 12, 2003 and an amendment that expanded upon this policy on March 13, 2006. Subsequent minor revisions have been made and will continue to be made as the program evolves.

Under the Project-based Assistance Program Policy, the Board of Commissioners Assistance Program that outlines the administrative procedures for implementing the policy. This Plan identifies the major Project-based Programs and outlines the procedures for administering this funding, contracting with owners, and supporting applicants and participants. The Plan is implemented by KCHA's Section 8 Department, which also administers the Housing Choice Voucher Program under a separate Administrative Plan.

The Section 8 Department will establish implementation goals for each of the Project-based Programs in each of KCHA's Annual MTW Plans. KCHA will annually evaluate the outcomes of the Project-based Assistance Program against the goals and objectives established in the policy and the annual implementation plans. These evaluations will be included in KCHA's Annual MTW Reports to HUD.

B. DESCRIPTION OF PROJECT-BASED ASSISTANCE

The term "Project-based" Assistance is used to distinguish this assistance from the "Tenant-based" assistance provided under the Section 8 Housing Choice Voucher program. In the Project-based Assistance Programs, the assistance is attached to the structure, rather than to the tenant. The Project-based Assistance Program is designed to meet the housing needs of low-income individuals not met by the Housing Choice Voucher program or other housing programs in King County. Project-based Assistance is also used as an important tool in the development of affordable housing. The formal and binding commitment of Project-based Assistance to housing owners is made through either a Housing Assistance Payments (HAP) Contract or an Agreement to enter into a HAP Contract (AHAP). During the term of the HAP Contract, KCHA makes housing assistance payments to the Owner for units leased and occupied by eligible Families.

C. HOW PROJECT-BASED ASSISTANCE IS FUNDED

The Project-based Assistance program is funded with a portion of appropriated funding (budget authority) under KCHA's Housing Choice Voucher program Annual Contributions Contract (ACC) with HUD. The Authority converts this funding into Project-based Assistance. There is no special or additional funding for Project-based Assistance. HUD does not allocate funding in the form of Project-based Assistance or provide any additional funding for this purpose. KCHA is not required to administer a Project-based Assistance program. KCHA is responsible for determining the amount of budget authority that is available for Project-based Assistance and for ensuring that the amount of assistance that is attached to each unit is within the amounts available under the ACC.

D. MAXIMUM RESOURCES DEDICATED TO PROJECT-BASED ASSISTANCE

Under its MTW agreement, KCHA will not be limited in the number of units assisted under the Project-based program.[1]

E. POLICY GOALS

The Project-based Assistance Program and Policy is designed to meet the following goals:

1. Increase the supply of the affordable housing stock in King County through the support of new development.
2. Increase the level of affordability of existing affordable housing stock.
3. Preserve and revitalize existing affordable housing stock.
4. Increase housing choice for "special needs" Households by strengthening and expanding the continuum of supportive housing programs in King County.
5. Focus on the needs of extremely low income Households.
6. Assist in deconcentration initiatives by replacing public housing units targeted for demolition.
7. Reduce concentrations of subsidized households, especially families with children.
8. Enhance the opportunities for families to become economically self-sufficient.
9. Maximize coordination of Section 8 assistance, housing development and support service resources.

[1] Approved under MTW 4-11-12

F. JURISDICTION RESTRICTIONS[2]

KCHA reserves the right to enter into HAP Contracts or AHAPs with Owners in other Housing Authorities' jurisdictions subject to an inter-agency agreement with the other Housing Authority.

G. MAXIMUM NUMBER OF PROJECT-BASED UNITS IN A DEVELOPMENT[3]

Under its MTW Agreement, KCHA is not limited to the number of units to be assisted in a development.

H. PROJECT-BASED ASSISTANCE PROGRAMS[4]

Project-based Assistance will be allocated for a range of population groups and purposes according to a number of individual Project-based Assistance Programs. These Programs include both transitional and permanent housing for individuals and families with children who may or may not need on-site support services. Because each of these Programs has unique goals and target populations, specialized implementation procedures are identified in this Administrative Plan for each Program as needed. The following is a list of Project-based Programs:

1. PBA Supportive Housing Program

Permanent Supportive Housing:

Assistance will be made available for Project-basing to create or preserve service-enriched permanent housing opportunities for homeless and/or disabled families and individuals who need on-site support services. This model allows for a higher level of on-site care for these households. Project-based assistance may include one-bedroom units and group homes serving individuals, and larger bedroom units serving families. Project-based assistance is competitively allocated in conjunction with service funding to provide integrated housing and services. In some cases, tenant-based or sponsor-based assistance may be reallocated as Project-based assistance to better serve the needs of the identified special populations.

Transitional and Conditional Supportive Housing:

KCHA has attached 254 units of Project-based assistance to projects in private or KCHA-owned buildings. KCHA transitional housing programs provide rental assistance in support of the Sound Families Initiative in partnership with the Bill & Melinda Gates Foundation to create new transitional housing units for families with minor children. As

[2] Approved MTW Policy Section V.15
[3] Approved MTW Policy Section V.3
[4] Approved MTW Policy Section IV

with Permanent Supportive Housing, housing with services are integrated. The focus is on serving homeless families, primarily in two and three bedroom units. For graduates of the transitional and conditional housing program, priority placement is given to KCHA's public housing.

2. PBA Local Program

KCHA will attach Project-base assistance in projects that require temporary or permanent operating or rental Subsidies in order to continue to serve extremely low-income households. This category provides subsidy funding to housing that was originally funded without subsidies and is now at risk. The assistance preserves affordable housing stock where cash flow is insufficient to maintain developments. It is also used as a financing tool to revitalize physically distressed housing.

3. PBA Private Housing Program

KCHA will Project-base 459 replacement vouchers provided by HUD under the Park Lake HOPE VI project in housing it owns/controls/finances, and in projects owned by nonprofit organizations funded by A Regional Coalition for Housing or other government funders. Project-based assistance replaces units lost through public housing redevelopment and creates affordable units in low-poverty areas of King County.

4. PBA Public Housing Redevelopment Program

To replace or redevelop decommissioned Public Housing units while providing returning residents a single subsidized housing program that mirrors the Public Housing it is replacing, KCHA intends to supply subsidies to permanently replace housing that was formerly Public Housing. KCHA may also temporarily use Project-based Assistance for returning residents that need subsidies beyond the permanent cap. Project-based Assistance will be removed from these temporarily Project-based units as families move or income-graduate until the permanent number of contract units is reached.

KCHA's Project-based Public Housing Redevelopment Program is designed to conform the guidelines of Project-based Assistance and Public Housing into a "blended subsidy" in order to create a common set of rules for program participants and administrators. Parts of this blended program (generally those related to contracting) follow the Project-based Assistance policies and procedures as outlined in this PBA Administrative Plan. Other parts (generally those relating to operations) follow the Public Housing Admissions and Continued Occupancy Policy (ACOP). This Administrative Plan notes where the Program defers to the guidance of the ACOP.

Conversions done under the HUD RAD program also fall within this Project-based program category. This Administrative Plan notes where the rules for units converted under RAD will vary from other Public Housing Redevelopments.

I. POTENTIAL PROJECT-BASED ASSISTANCE PROGRAMS[5]

In addition to those Programs listed above, KCHA may also enter into other Project-based contracts with owners for programs designated to address specific segments of the low income special needs community such those listed below. This is a non-inclusive list and additional programs may be added through changes to our MTW Annual Plan.

Demonstration Programs: KCHA reserves the right to provide Project-based assistance to a limited number of housing projects that will serve an important public purpose, but may not qualify under the Project-based Program's policies.

King County's Community Plan to End Homelessness: As a member of the Committee to End Homelessness, KCHA reserves the right to identify new program Categories to further the goals of the King County Plan to End Homelessness.

"Transition in Place": If resources are available, KCHA may allocate up to 30 "transition in place" vouchers to KCHA-subsidized Transitional Housing Programs on an annual basis.

J. BLOCK GRANT POLICIES[6]

KCHA receives the majority of its Section 8 Housing Choice Voucher Funds in the form of a block grant. KCHA may elect to assist in financing the acquisition or rehabilitation of housing through a block grant to a housing owner, provided that such housing:

1. Furthers the goals set forth in the Project-based Assistance policy;
2. Meets threshold owner application criteria;
3. Is determined not to have excess public assistance as determined by a Subsidy Layering Review;
4. Is made available to low income households under the eligibility criteria detailed in KCHA's admissions policies;
5. Will be dedicated to such use for a minimum of ten years;
6. Will serve at least the same number of tenants as the funding would have served under the tenant-based program;
7. Has clearly defined program goals and measures of tenant success; and

[5] Approved MTW Policy Section IV
[6] Approved MTW Policy Section V.12

8. KCHA may also adjust payment standards as appropriate to further the goals and objectives of this policy for units subsidized through the block grant program.

Projects that are block granted are not required under MTW to attach assistance directly to a specified number of contract units. The assistance may be provided to the overall project, provided that the criteria above has been met and documented.[7]

K. FAIR HOUSING

It is the policy of the King County Housing Authority to comply fully with all Federal, State and local nondiscrimination laws; the Americans with Disabilities Act; and the U.S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

No person shall, on the grounds of race, color, sex, religion, national or ethnic origin, familial status, sexual preference or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under KCHA programs.

To further its commitment to full compliance with applicable Civil Rights laws, KCHA will provide Federal/State/local information to applicants and participants in the Section 8 Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at KCHA's Section 8 office. In addition, all written information and advertisements will contain the appropriate Equal Opportunity language and logo.

KCHA will assist any Household that believes they have suffered illegal discrimination by providing them copies of the housing discrimination form. KCHA will also assist them in completing the form, if requested, and will provide them with the address of the nearest HUD Office of Fair Housing and Equal Opportunity.

L. ETHICAL STANDARDS

1. **Conflict of Interest**

   In accordance with 24 CFR 982.161, neither KCHA nor any of its contractors or subcontractors may enter into any contract or arrangement in connection with the Project-based Programs in which any of the following classes of persons has any interest, direct or indirect, during his or her tenure with KCHA or for one year thereafter:

   a. Any present or former member or officer of KCHA;

[7] Approved MTW Policy Section V.11

b. Any employee of KCHA or any contractor, subcontractor, or agent of KCHA who formulates policy or who influences decisions with respect to the programs;

c. Any public official, member of a governing body, or State or local legislator who exercises functions or responsibilities with respect to KCHA's programs; or

d. Any member of Congress of the United States.

Any person described above must disclose their interest to KCHA. Exceptions to these criteria include, but are not limited to, low-income residents of housing developments contracted to receive Project-based Assistance who are a member of the Owner or Service Provider's Board of Directors.

2. **Solicitation or Acceptance of Gifts**

No Commissioner or KCHA employee may solicit any gift or consideration of any kind, nor may any HA employee accept or receive a gift from any person who has an interest in any matter proposed or pending before the HA.

KCHA Personnel policies should be consulted for more information on both Conflict of Interest and Solicitation or Acceptance of Gifts.

3. **Program Monitoring**

In order to maintain the appropriate quality standards for the Section 8 and Project-based Assistance Programs, KCHA will annually review files and records to determine if the work documented in the files or records conforms to program requirements. A supervisor or another qualified person other than the one originally responsible for the work or someone subordinate to that person shall perform the monitoring.

M. CATASTROPHIC PLANNING [8]

This policy details KCHA policies and procedures that are in place under normal day-to-day operations. However, should a catastrophic event occur (i.e. severe flood, pandemic sickness, etc.), KCHA may modify certain policies or procedures to help ensure health, safety and/or security of residents, staff and the community. Changes may only be made upon Executive Director declaration of an Emergency as a result of catastrophic event(s). At the discretion of the Executive Director, modifications determined necessary may remain in effect for up to 60 days following the end of the declared emergency to allow KCHA operations to normalize. Examples of policy and procedure changes that could be implemented include, but are not limited to, the following:

[8] Approved under MTW 11/18/09

1. **Modified Office Hours:**

   In the event of a declared emergency, KCHA may limit office hours or close designated offices to the public entirely as determined necessary by KCHA. In such instances, staff will remain available to clients through phone and/or email. Information regarding revised office hours – including anticipated length of the closure/modification and how to contact KCHA staff with questions and/or concerns - will be clearly posted on all office doors and in community areas, if appropriate. Information will also be distributed to clients via email and direct delivery when KCHA determines such is available and practical.

2. **Modified Inspection process:**

   Recertification inspections scheduled during the catastrophic event may be extended for an additional 12 months. However, upon notification of the delay, the participant will be advised to report any necessary repairs that have not been addressed by the owner. If the tenant reports a life threatening failure, the owner will be required to abate or correct the condition immediately, per KCHA policy.

   To help ensure client access to housing, tenant move-ins and new inspections will be prioritized and completed as soon as possible (pending road closures or other obstacles preventing immediate response).

3. **Modified Review and Verification procedures:**

   In the event of a declared emergency, KCHA may modify client review schedules and/or implement revised verification policies under the protocols listed above. For example, should a catastrophic event occur, it may be difficult to verify tenant information through normal documentation methods or complete reviews under the current process. In such cases, reviews could be temporarily delayed, and verification processes relaxed by weighting all forms of verification equally. A notation regarding any changes authorized as a result of the Executive Director's declaration will be noted in all affected client files.

2: DEFINITION OF TERMS

ACC Reserve Account: An account established by HUD from amounts by which the maximum payment to the HA under the consolidated ACC during the HA fiscal year exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

Admissions and Continued Occupancy Policy (ACOP). The plan that describes the HA policies for the administration of KCHA Public Housing units.

Adequate Housing: The lack of adequate housing means:

- A Family is living in substandard or dilapidated housing; or
- A Family is homeless; or
- A Family is displaced by domestic violence; or
- A Family is living in an overcrowded unit.

Adjusted Annual Income:[9] Total Household Annual Income less the sum of total eligible deductions for unreimbursed medical expenses, handicapped assistance expenses and/or childcare expenses (as defined) which the household is determined to receive during the recertification process and determination of tenant rent.

Adjusted Monthly Income: One-twelfth of Adjusted Income

Administrative Fee: Fee paid by HUD to the HA for administration of the program.

Administrative Fee Reserve: Account established by the HA from excess administrative fee income. The administrative fee reserve can only be used for housing purposes.

Administrative Plan: The plan that describes HA policies for the administration of the Section 8 Project-based programs.

Agreement to Enter into a HAP Contract (AHAP): A written contract between the HA and the Owner in the form prescribed by HUD. The AHAP defines requirement for development of housing to be assisted under the Project-based program.

Allowances:[10] Amounts deducted from the household's gross annual income in determining adjusted annual income (the income amount used in the rent calculation). Under KCHA's EASY Rent and WIN Rent programs, only allowances for medical expenses,

---

[9] Approved MTW 11/1/10
[10] Approved under MTW 11/1/10

handicapped assistance expenses, and childcare expenses for children under 13 years of age are allowed (as outlined in this plan).

Annual Contributions Contract (ACC): A written contract between HUD and a HA. Under the contract HUD agrees to provide funding for operation of the program, and the HA agrees to comply with HUD requirements of the program.

Annual Income: All amounts, not specifically excluded in Exhibit B of this policy, received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse of the head of household, plus unearned income by or on behalf of each dependent who is under 18 years of age. (See Exhibit A and Exhibit B for additional information).

Applicant (Applicant Family): A person or Family that has applied for admission to a program, but is not yet a participant in the program.

Child Care Deduction:[11] The amount allowed under KCHA's WIN Rent program as a reduction from Annual Income when child care expenses (as defined) are incurred by a participating household. Households with income in excess of $75,000 and above are not eligible for this deduction. ***A child care deduction is only provided when KCHA determines no other adult in the household is available*** to provide care ***AND*** the amount paid (1) is not reimbursed by another party or source; (2) is reasonable in relation to the time and hours worked; (3) is not paid to a family member; (4) does not exceed the income received as a result of the provision of the care. A Child Care Deduction **may not be** granted to a household operating an in-home childcare facility in order to provide for the care of the household's own children. The actual amount of the deduction provided is established by KCHA according to the following expense bands:

Eligible Child Care Expenses Incurred	$ Amount of Deduction
Below $2,500	$0
$2,500 - $4,999	$2,500
$5,000 – $7,499	$5,000
$7,500 - $9,999	$7,500
$10,000 or more	$10,000

See Section 21 and Exhibit C for additional information.

[11] Approved under MTW 11/1/10

Child Care Expenses:[12] The "out-of pocket" amount paid for (1) the care of children in the household under 13 years of age **and/or** (2) attendant care and auxiliary apparatus for a Handicapped or Disabled Family member. Under the WIN Rent program, child care expenses must: (1) be necessary to enable a member of the household to be gainfully employed or further his/her education; (2) not be reimbursed by another party or source; (3) be reasonable in relation to the time and hours worked; (4) not be paid to a family member; (5) not exceed the income received as a result of the provision of the care.

Citizen: A citizen or national of the United States.

Consent Form: Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs, return information from the Social Security Administration, and return information for unearned income from the IRS. The consent forms may authorize the collection of other information from assistance applicants or participants to determine eligibility or level of benefits.

Contract Rent. The total amount of rent specified in the Housing Assistance Payments Contract as payable by the HA and the Tenant to the Owner for an assisted unit.

Co-Tenant: An adult member of the Family household who is neither head nor spouse, but who enters the lease jointly with the Head of Household. A Co-Tenant has the same standing in the lease as would a spouse.

Day Laborer: An individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future. Income earned as a day worker is **not** considered non-recurring income.

Dependent: A member of the Family household (excluding foster children and foster adults) other than the Family head or spouse, who is under 18 years of age or is a Person with disabilities. An unborn child shall not be counted as a Dependent except when determining initial eligibility of a single pregnant woman without other children in the household.

Domestic Violence: the term "domestic violence" will include domestic violence, dating violence, sexual assault or stalking or the threat of physical violence against the resident or member of the resident's household, as defined under the Violence Against Women and Department of Justice Reauthorization Act (VAWA) of 2013.

Dilapidated Housing Unit: For selection preference purposes, a housing unit is considered dilapidated if it does not provide safe and adequate shelter, and in its

[12] Approved under MTW 11/1/10

present condition endangers the health, safety, or well-being of a Family, or it has one or more critical defects, or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding. The defects may involve original construction, or they may result from continued neglect or lack of repair or from serious damage to the structure.

Disability Assistance Expenses: Reasonable expenses that are anticipated during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a Disabled family member, and that are necessary to enable a family member (excluding the Disabled member) to be employed, provided that the expenses are neither paid to a member of the Family nor reimbursed by an outside source.

Disabled Family: A Family whose head (including co-head), spouse, or sole member is a person with disabilities (see definition); or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Displaced Person or Family: For eligibility purposes, a Family in which each member, or whose sole member, is displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under Federal disaster relief laws.

Domicile. The legal residence of the household head or spouse as determined in accordance with State and local law.

Drug-related Criminal Activity. The illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with the intent to manufacture, sell, distribute or use the drug. (As defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug-trafficking: The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance (as defined in section 102 of the Controlled Substance Act (21 U.S.C. 802).

Earned income: Income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits.

EASY Rent Program:[13] The rent calculation method applied by KCHA to EASY Rent households (see definition). Under EASY Rent program rules, rent is calculated based upon 30.7% of an eligible household's adjusted gross income. Minimum rent paid by

[13] Approved under MTW 11/1/10

eligible families is $0 per month, in accordance with the policies outlined in this Plan. Households under the EASY Rent program undergo a **full recertification** of income and program eligibility once every three (3) years. Unit inspections will still be performed in accordance with the HA's established schedule and update reviews will be performed on the off years.

EASY Rent Household:[14]: A resident or family living in, or applying for, a current or former Public Housing mixed population building or a family in which (1) All adults in the household (excluding live-in attendants) are Elderly or Disabled (as defined); ***and*** (2) have no source of income, ***or***, at least 90% of total household income is derived from a combination of the following fixed income sources: Social Security, SSI, Government Pension, Public or Private Pensions, and/or GAU, Disability Lifeline or similar DSHS general assistance grants. An EASY Rent Household includes a household in which a dependent minor has turned eighteen (18) years of age in between the established (3 year) recertification period.

EASY Rent Households may also be referred to as a "fixed income" household in this Plan as their income is typically from a fixed source such as Social Security or SSI.

EIV: Enterprise Income Verification system is a form of Up-front Income Verification (UIV) used to verify and/or validate tenant reported (or unreported) income.

Elderly Person or Family: A Family whose head (including co-head) or spouse or sole member is a person who is at least 62 years of age, or two or more persons who are at least 62 years of age living together, or one or more of such persons living with a live-in aide.

Eligible Immigration Status: An immigration status in one of the following categories:

1. A noncitizen lawfully admitted for permanent residence, as defined by Section 101(a)(20) of the Immigration and Nationality Act (INA), as an immigrant, as defined by section 101(a)(15) of the INA (8 U.S.C. 1101(a)(20) and 1101(a)(15), respectively) (immigrants). (This category includes a noncitizen admitted under section 210 or 210A of the INA (8 U.S.C. 1160 or 1161), (special agricultural worker), who has been granted lawful temporary resident status);

2. A noncitizen who entered the United States before January 1, 1972, or such later date as enacted by law, and has continuously maintained residence in the United States since then, and who is not eligible for citizenship, but who is deemed to be lawfully admitted for permanent residence as a result of an exercise of discretion by the Attorney General under Section 249 of the INA (8 U.S.C. 1259);

[14] Approved under MTW 11/1/10

3. A noncitizen who is lawfully present in the United States pursuant to an admission under section 207 of the INA (8 U.S.C. 1157)(refugee status); pursuant to the grant of asylum (which has not been terminated) under section 208 of the INA (8 U.S.C. 1158)(asylum status); or as a result of being granted conditional entry under Section 203(a)(7) of the INA (8 U.S.C. 1153(a)(7)) before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic national calamity;

4. A noncitizen who is lawfully present in the United States as a result of an exercise of discretion by the Attorney General for emergent reasons or reasons deemed strictly in the public interest under section 212(d)(5) of the INA (8 U.S.C. 1182(d)(5))(parole status);

5. A noncitizen who is lawfully present in the United States as a result of the Attorney General's withholding deportation under section 234(h) of the INA (8 U.S.C. 1253(h))(threat to life or freedom); or

6. A noncitizen lawfully admitted for temporary or permanent residence under section 245A of the INA (8 U.S.C. 1255a)(amnesty granted under INA 245A).

Energy Assistance Supplement (EAS):[15] (Formerly known as Utility Allowance) The amount provided by the Housing Authority as a reduction to the household's Total Tenant Payment, when the costs of utilities are the responsibility of the family occupying the unit. As determined by the Housing Authority, the EAS is established based upon the reasonable energy consumption of a reasonably conservative household of modest means.

Tenants who reside in units for which all utilities are paid by the Landlord **do not** receive an Energy Assistance Supplement.

Energy Supplement Reimbursement:[16] The amount, if any, by which the Energy Assistance Supplement for the unit exceeds the Total Tenant Payment for the Family occupying the unit. The amount of reimbursement may be limited by any Minimum Rent policies established by the Housing Authority as outlined in this Plan.

Extremely Low-Income: Those families whose incomes do not exceed the higher of the Federal poverty level or 30% of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families.

Fair Market Rent (FMR): FMRs are established by HUD for housing units of varying sizes (number of bedrooms) and are published in the Federal Register annually.

---

[15] Approved under MTW 11/1/10
[16] Approved under MTW 11/1/10

Family: [17] Family includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status. In all cases the Head of Household must be at least 18 years of age, unless they have documented approval as an Emancipated Minor pursuant to Washington State regulations (RCW 13.64.):

1. A group of two or more persons sharing residence whose income and resources are available to meet the Family needs and who are either related by (1) Blood, marriage, or operation of law (excluding custody of foster children), or; (2) who have evidenced a stable family relationship.

    a. A group of "two or more persons" includes a single pregnant woman without other children and individuals in the process of securing legal custody of a dependent.

    b. Members of the Family temporarily absent shall be included in the Family group. To establish what constitutes a "temporary absence," the following clarification is provided.

        - A service member shall be classified as "temporarily absent" when away from home due to military service. Therefore, each service member shall be counted as part of the Family for purposes of qualifying as an eligible family for admission or continued occupancy and for establishment of rent, but not for determining size of unit required.

        - If the Family claims a child as a family member, but does not have full custody, or if the child lives only part time with the Family, it will be the sole discretion of the HA as to whether to count the child as part of the Family.

        - If the Family has a dependent away at school, the dependent may be considered a member of the household if the dependent normally lives in the household while not attending school.

        - The HA may consider an absent child to be part of the Family if there is evidence that the child would reside with the Family if the Family were admitted to the HA's housing.

2. An Elderly Person or Family (as defined)

3. A Person with disabilities or Family (as defined)

4. A Remaining Member of a tenant family (as defined)

[17] Approved under MTW 7/21/08

For purposes of determining initial eligibility a family must include at least one household member who is disabled, elderly, or who qualifies as a dependent. Single-persons (as defined: those who are not elderly, near-elderly or disabled) will not be placed on the waiting list. However, such individuals may be considered eligible for assistance and be placed on the waiting list for any specific targeted "set-aside" program(s) established by the Housing Authority (such as programs to assist Chronically Homeless individuals or youth transitioning out of foster care) for which they qualify.

Family Income: For purposes of qualifying for a Selection Preference, Family Income is "Monthly Income".

Family Self-Sufficiency Program: (FSS) A program established to promote self-sufficiency among participating families, including the coordination of "supportive services" to these families (See Action Plan).

Family Share: The portion of rent and utilities paid by the Family or the gross rent minus the amount of the housing assistance payment.

Financial Assistance: Financial assistance that a student receives (1) under the Higher Education Act, including Federal Work-study programs (2) from private sources, (3) from an institution of higher education as defined by the Higher Education Act of 1965 (See definition) or (4) from loan proceeds are not considered income for the purposes of calculating rent[18].

Fixed Income Household: A Section 8 Family in which (1) All adults in the household (excluding live-in attendants) are Elderly or Disabled (as defined); ***and*** (2) at least 90% of total household income is derived from a fixed income source such as Social Security, SSI, Government Pension, Private Pensions, and/or GAU (DSHS general assistance grant). A Fixed Income Household includes a household in which a dependent minor has turned eighteen (18) years of age in between the established (3 year) recertification period.[19]

Foster Adult: A member of the household who is 18 years of age or older and meets the definition of a foster adult under State law. In general, a foster adult is a person who is 18 years of age or older, is unable to live independently due to a debilitating physical or mental condition and is placed with the family by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.

Foster Care Payment: Payments to eligible households made by State, local, or private agencies.

---

[18] MTW Activities 2008-10 and 2008-11
[19] Approved under MTW 5/19/08

Foster Child: A member of the household who meets the definition of a foster child under State law. In general, a foster child is placed with the family by an authorized placement agency (e.g., public child welfare agency) or by judgment, decree, or other order of any court of competent jurisdiction**.**

Full-time Student: A person who is carrying a subject load, which is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

Gender Identity: The actual or perceived gender-related characteristics of a participant.

Gross Rent: The sum of the rent to an Owner, plus any utility allowance.

Handicapped Assistance Expenses: Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care or auxiliary apparatus for a Handicapped or Disabled Family member, and that are necessary to enable a Family member (including the Handicapped or Disabled member) to be employed or to further his/her education, provided that the expenses are neither paid to a member of the Family nor reimbursed by an outside source.

Head of the Household: The adult family member who is the head of the household for purposes of determining income eligibility and rent and is held accountable for the Family. A Head of Household must be 18 years of age or older, unless they have documented approval as an Emancipated Minor pursuant to Washington State regulations (RCW 13.64.).

Homeless Family: For selection preference purposes, an applicant is considered a Homeless Family if they:

1. Lack a fixed, regular and adequate nighttime residence; AND
2. Have a primary nighttime residence that is:
   a. Living outside (i.e., no fixed roof, in a park, in a tent, etc.);
   b. Living in a temporary publicly or privately owned shelter; or
   c. Living in an automobile or recreational vehicle.
3. Are a graduate from a KCHA funded sponsor-based program or are a graduate from the Shelter Plus Care program.

A Homeless Family will also include an applicant living with family or friends in an overcrowded situation (does not meet occupancy standards) AND who has been

approved for housing within a 90-day time period at a HA recognized transitional housing program.[20]

In targeted supportive housing voucher programs, a Homeless Family may also include a Family at imminent risk of homelessness such as a Family with a pending eviction. An alternate definition may be used based on individual targeted program requirements.

As a general rule, a Homeless Family does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State law. However, in targeted voucher programs that are designed to serve households discharged from jail or prison, this portion of the definition will not apply. See Section 1 for an overview of targeted voucher programs.

Housing Authority (HA): The King County Housing Authority, a public corporation.

Housing Assistance Payment (HAP): The monthly assistance payment by the HA, which includes:

1. A payment to the Owner for rent to owner under the Family's lease; and

2. An additional payment to the Family if the total assistance payment exceeds the rent to owner.

Housing Assistance Payments Contract (HAP Contract): A written contract between an HA and an Owner, in which the HA agrees to make housing assistance payments to the Owner on behalf of an eligible Family.

Housing Quality Standards (HQS): The minimum housing quality standards for housing being assisted under the voucher program.

HUD: The U.S. Department of Housing and Urban Development.

Imputed Income: For households with net family assets of more than $50,000,[21] the amount calculated by multiplying net family assets by a HUD-specified percentage. If imputed income is more than actual income from assets, the imputed amount is used as income from assets in determining annual income.

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

[20] Approved under MTW 4/5/04
[21] Approved under MTW 5/14/07

Income Category: Designates a Family's income range. There are three categories: low income, very low income, and extremely low income.

Income Limits: A schedule of incomes that do not exceed a percent of the median income for the area as determined by HUD with adjustments for smaller or larger Families, except that HUD may establish income limits higher or lower on the basis of its findings that such variations are necessary because of the prevailing levels of construction costs, unusually high or low incomes, or other factors (See Exhibit D).

Independent Contractor: An individual who qualifies as an independent contractor instead of an employee in accordance with the Internal Revenue Code federal income tax requirements and whose earnings are subject to self-employment tax. In general, an individual is an independent contractor if they have the right to control or direct only the conduct of the work. Income earned as an independent contractor is **not** considered non-recurring income.

Independent Student: For the purpose of determining the Section 8 eligibility of a student who is seeking assistance separately from their parents, a student will be considered independent if they meet the definition laid out by the U.S. Department of Education in the Higher Education Act of 1965 as amended, 20 U.S.C 1087vv(d).

Initial Lease Term: The initial term of the assisted lease. The initial lease term must be for at least one year unless the HA, at its sole discretion, determines there is good cause for a term shorter than 12 months.

Institution of Higher Education: Shall have the meaning given this term in the Higher Education Act of 1965 in 20 U.S.C. 1001 and 1002.

1. Institution of higher education means an educational institution in any State that:

    a. Admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate;

    b. Is legally authorized within such State to provide a program of education beyond secondary education;

    c. Provides an educational program for which the institution awards a bachelor's degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree;

    d. Is a public or other nonprofit institution;

    e. Is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted preaccreditation status by such an agency or association that has been recognized by the Secretary for

the granting of preaccreditation status, and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time; and

2. Institution of higher education also includes:

   a. Any school that provides not less than a 1-year program of training to prepare students for gainful employment in a recognized occupation and that meets the provision of paragraphs (a), (b), (d), and (e) of subsection (1), above, and

   b. A public or nonprofit private educational institution in any State that, in lieu of the requirement in subsection (1)(a) above, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.

Interim (examination) Recertification: A reexamination of family income, expenses, and household composition conducted between the regular recertifications when a change in a household's circumstances warrants such a reexamination.

King County Housing Authority (KCHA) Managed Properties. Properties managed by KCHA' s Property Management department.

Lease: A written agreement between an Owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a Family with housing assistance payments under a HAP Contract between the Owner and the HA.

Lease Addendum: In the lease between the tenant and the Owner, the lease language required by HUD.

Live-in Aide: A person who resides with one or more elderly persons, or near elderly persons, or persons with a disability, and who: (1) is determined to be essential to the care and well-being of the person; (2) is not obligated for the support of the person; and would not be living in the unit except to provide the necessary supportive services. (See Exhibit G.M.7.)

Local Preference: A preference for admission as described in Section 13 of the Administrative Plan.

Low-income Family: A Family whose Annual Income does not exceed 80% of the median income for the area, as determined by HUD with adjustments for smaller and larger families.

Medical Deduction:[22] The amount allowed under KCHA's EASY Rent program as a reduction from Annual Income when medical expenses (as defined) are incurred by a participating household. Households with income of $75,000 and above are not eligible for this deduction. The actual amount of the deduction provided is established by KCHA according to the following expense bands:

Eligible Medical Expenses Incurred	$ Amount of Deduction
Below $2,500	$0
$2,500 - $4,999	$2,500
$5,000 – $7,499	$5,000
$7,500 - $9,999	$7,500
$10,000 or more	$10,000

Under KCHA's Hardship Policy, a WIN Rent Household may qualify for a Medical Deduction only when it can be demonstrated that the household's childcare and medical costs, and calculated Total Tenant Payment (Rent + Energy Assistance Supplement) results in the household facing an "extraordinary cost of living".

Medical Expenses:[23] The "out-of-pocket" amount paid by a household for (1) the medical care of elderly and disabled household members **and/or** (2) attendant care or auxiliary apparatus for a Handicapped or Disabled Family member that are necessary to enable a Family member to be employed or further his/her education. The total attendant and auxiliary costs included under this category must (1) be reasonable in relation to the time and hours worked; (2) not be paid to a family member; (3) not exceed the income received as a result of the provision of the care. **Claimed expenses may not be dually included in the calculation of Child Care Expenses in order to determine a household's adjusted annual income**.

Member of the Armed Forces: A person in the active Military or Naval Service of the United States Army, Navy, Air Force, Marine Corps, National Guard, Coast Guard or reserves. For the purposes of determining Annual Income, a Member of the Armed Forces shall be the Head of Household, Spouse, or other family member whose dependents are residing in the unit.

[22] Approved under MTW 11/1/10
[23] Approved under MTW 11/1/10

Minimum Rent:[24] The minimum monthly amount payable to the HA as rent by an EASY Rent and WIN Rent household.

Mixed Family: A Family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

Mixed Finance Buildings: Buildings where Low-income Tax Credits, Bonds, Public Housing subsidies and Housing Voucher funding are mixed in order to allow the property to be financially feasible. Because each program type may operate under different regulations, one set or a combination of program rules may be adopted through MTW for successful operation.

Monthly Income: One-twelfth of Annual Income.

National: A person who owes permanent allegiance to the United States.

Near-elderly Family: [25] A Family whose head (including co-head), spouse, or sole member is a person who is at least 55 years of age but below the age of 62; or two or more persons, who are at least 55 years of age but below the age of 62, living together; or one or more persons who are at least 55 years of age but below the age of 62 living with one or more live-in aides.

Near-elderly Person:[26] A person who is at least 55 years of age but below the age of 62.

Net Family Assets: : Includes the following:

1. The net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investment.

2. Net family assets must include the value of any business or family assets disposed of for less than fair market value during the two years preceding the date of application for the program or reexamination, in excess of the consideration received therefore.
   a. This includes a disposition in trust, but not in a foreclosure or bankruptcy sale.
   b. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives consideration not measurable in dollar terms.
   c. Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets.

---

[24] Approved under MTW 11/1/10
[25] Approved under MTW 7/21/08
[26] Approved under MTW 7/21/08

See Exhibit B and Exhibit C for additional information regarding exclusions and calculation of Annual Income and Rent.

Noncitizen: A person who is neither a citizen nor national of the United States.

Noncitizen Student: A noncitizen who:

1. Has a residence in a foreign country, that the person has no intention of abandoning; **and**

2. Is a bona fide student qualified to pursue a full course of study; **and**

3. Is admitted to the United States temporarily and solely for purposes of pursuing such a course of study at an established institution of learning or other recognized place of study in the United States, particularly designated by such person and approved by the Attorney General after consultation with the Department of Education of the United States, which institution or place of study shall have agreed to report to the Attorney General the termination of attendance of each nonimmigrant student.

Occupancy Standards: See Subsidy Standards.

Operating Reserve: The administrative fee reserve.

Other Criminal Activity: Criminal activity that would adversely affect the health, safety, or right to peaceful enjoyment of the premises by other residents, persons residing in the immediate vicinity, the owner or public housing employees.

Overcrowded Housing: In the case of a family unification family and according to program guidelines, a Family is considered to be living in an overcrowded unit (as defined in Section 16: Subsidy Standards) if:

1. The Family is separated from its child, or children, and the parent(s) are living in an otherwise standard housing unit, but, after the Family is reunited, the parents' housing unit would be overcrowded for the entire Family and would be considered substandard; or

2. The Family is living with its child, or children, in a unit that is overcrowded for the entire Family and this overcrowded condition may result in imminent placement of its child, or children, in out-of-home care.

Owner: Any person or entity having legal right to lease or sublease a unit to a participant and who has been determined by the HA to be eligible to participate in the program.

Participant. (Participant family): A Family that has been admitted to the HA program, and is currently assisted in the program. The Family becomes a participant on the effective date of the first HAP contract executed by the HA for the Family (first day of initial lease term).

Payment Standard: In the voucher program, the maximum subsidy payment for a Family (before deducting the family contribution). For a voucher tenancy, the HA sets a payment standard based on current market trends. [27]

Person with Disabilities: Per the HUD definition, a person is considered disabled if (1) the following Social Security disability definition is met, or (2) the individual has a developmental disability as described in Paragraph 2 below:

1. Has a disability as defined in Section 223 of the Social Security Act which states: Inability to engage in any substantial gainful activity because of any physical or mental impairment that is expected to result in death, or has lasted or can be expected to last continuously for at least 12 months; or, for a blind person at least 55 years old, inability because of blindness to engage in any substantial gainful activities comparable to those in which the person was previously engaged with some regularity and over a substantial period.

2. is determined, pursuant to regulations issued by HUD to have a physical, mental or emotional impairment that:

    a. is expected to be of long, continued and indefinite duration;

    b. substantially impedes that person's ability to live independently; and

    c. Is of such a nature that such ability to live independently would be improved by more suitable housing conditions.

3. Has a developmental disability as defined below and in Section 102 (7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 (7)) which is a severe, chronic disability that:

    a. Is attributable to a mental and/or physical impairment (or a combination of mental and physical impairments);

    b. Is manifested before the person attains age twenty-two;

    c. Is likely to continue indefinitely;

[27] Approved under MTW 10/8/07

d. Results in substantial functional limitations in three or more of the following areas of major life activity:

(1) Capacity for independent living;

(2) Self-care;

(3) Receptive and responsive language;

(4) Learning;

(5) Mobility;

(6) Self-direction;

(7) Economic self-sufficiency; AND

e. Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated."

A person with disabilities does not exclude persons who have the disease of acquired immunodeficiency syndrome or any condition arising from the etiologic agent for acquired immunodeficiency syndrome.

For purposes of qualifying for low-income housing, it does not include a person where disability is based solely on any drug or alcohol dependence.

PHA: The King County Public Housing Authority.

Premises: The building or complex in which the dwelling unit is located, including common areas and grounds.

Private Housing: Housing developed off-site to replace those Public Housing units demolished as a result of a redevelopment program so that an equal ratio of units demolished to units developed will be maintained. Replacement Housing and Private Housing may be used interchangeably throughout this policy.

Project: a single building, multiple contiguous buildings or multiple buildings on contiguous parcels of land.

Project Reserve: ACC reserve account.

Rental Assistance Demonstration (RAD): A HUD program that allows properties in the Public Housing program to transition to Section 8 subsidy.

Reasonable Accommodation: A change in Housing Authority policy, procedure or unit structure that allows a disabled individual with an opportunity to utilize the Section 8 program in a manner equal to that of a non-disabled individual.

Reasonable Rent: A rent that is reasonable in comparison to rent for other comparable unassisted units.

Recertification: The reexamination of a household's income, expenses, and Family composition to determine the Family's continued eligibility for program participation and to calculate the family's share of rent. As described elsewhere in this plan, recertification is completed at least once every three (3) years for Fixed Income EASY Rent households (see definition) and biennially (every 2 years) for WIN Rent households. [28]

Remaining Member of a Tenant Family: A member of the Family listed on the lease who continues to live in an assisted household after all other family members have left.

Rent:

1. Rent means Total Tenant Payment as defined in this section.

2. For selection preference purposes, rent is defined as:

    a. The actual amount due, calculated on a monthly basis, under a lease or occupancy agreement between a Family and the Family's current landlord; and

    b. In the case of utilities purchased directly by tenants from utility providers:

        1. The utility allowance (if any) determined for the Section 8 Voucher Program; or

        2. If the Family chooses, the average monthly payments that it actually made for its utilities for the most recent 12 month period, or if that information is not obtainable, for the entire period of an appropriate recent period (such period shall be no less than 6 consecutive months).

For an individual who owns a manufactured home but leases the space, rent calculation shall be conducted according to 24 CFR Part 882.623.

Replacement Housing: See Private Housing.

Seasonal Worker: An individual who is: (1) hired into a short-term position (e.g., for which the customary employment period for the position is 6 months or fewer); and (2)

[28] Approved under MTW 5/19/08 and 11/1/10

the employment begins about the same time each year (i.e. summer or winter). Typically, the individual is hired to address seasonal demands that arise for the employer or industry. Income earned as a seasonal worker is **not** considered nonrecurring income.

Sexual Orientation: Homosexuality, heterosexuality, transgender or bisexuality.

Single Person:[29] A person who lives alone or intends to live alone, and who does not qualify as an elderly, near-elderly or displaced person, a person with disabilities, or (for continued occupancy) as the remaining member of a Family. For purposes of determining initial eligibility, a single pregnant woman without other children or an individual in the process of securing legal custody of a dependent is not considered a single person.

Social Security Number (SSN): The number assigned to a person by the Social Security Administration of the Department of Health and Human Services which identifies the record of the person's earnings that are reported to the Administration.

Special Admission: Admission of an applicant that is not on the HA waiting list or without considering the applicant's waiting list position.

Spouse: Spouse means the husband or wife of the Head of Household.

Standard Replacement Housing: For selection preference purposes, standard replacement housing is housing:

1. That is decent, safe, and sanitary;
2. That is adequate for the Family size (according to the HA's occupancy standards); and
3. That the Family is occupying pursuant to a lease or occupancy agreement.

Such housing does not include transient facilities (such as motels, hotels or temporary shelters for victims of domestic violence or homeless families nor the housing unit in which the applicant and the applicant's spouse or other member of the household who engages in such violence lives).

Subsidy Standards: Standards established by a HA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

[29] Approved under MTW 7/21/08

Tenant: The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit and who has legal capacity to enter a lease under State and local law. Legal capacity means that the tenant is bound by the terms of the lease, and may enforce the terms of the lease against the landlord.

Tenant Rent:[30] The amount payable monthly by the Family as rent to the owner (as determined by the program EASY Rent or WIN Rent) for which the family qualifies. This definition does not limit the owner's ability to accept payment of rent or other charges due under the lease from a 3rd party agency or individual on behalf of the Tenant to expedite payment receipt and/or processing and ensure client stability.

Total Tenant Payment (TTP):[31] For EASY Rent Households, the TTP is equal to 30.7% of the household's gross adjusted income. For WIN Rent Households, the TTP is equal to the Gross Rent Amount associated with the Income Band within which the household's Adjusted Gross Income falls.

UIV: Up-front income verification system used to verify income before or during a Family reexamination through an independent source that systematically and uniformly maintains income information in computerized form for a large number of individuals.

Unearned income. Income, that is not categorized under the definition of **earned income** as detailed in this policy.

USCIS: The U.S. Citizenship and Immigration Service.

Utility Allowance: Allowances that are established by the HA that are adequate to cover the cost of tenant-supplied utilities in average size units in average conditions using average consumption patterns.

Very-low Income Family: A Low-income Family whose Annual Income does not exceed the very-low income limit, which is 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

Violent Criminal Activity: Any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

Welfare Benefit Reduction:

1. A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program, or because of welfare agency

[30] Approved under MTW 11/1/10
[31] Approved under MTW 11/1/10

sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

2. "Welfare reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

   a. at the expiration of a lifetime or other time limit on the payment of welfare benefits;

   b. because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

   c. Because a family member has not complied with other welfare agency requirements.

WIN Rent:[32] The rent calculation method applied by KCHA to WIN Rent households (see definition). Under WIN Rent program rules, rent is calculated based upon established Income Bands (see Exhibit T). Minimum rent paid by eligible families is $25 per month, in accordance with the policies outlined in this Plan. Households under the WIN Rent program undergo a **full recertification** of income and program eligibility once every two (2) years.

WIN Rent Household:[33] A household that does not qualify as an EASY Rent Household. Typically, WIN Rent Households include at least one adult (over age 18) family member who is currently working or considered "work-able".

[32] Approved under MTW 11/1/10
[33] Approved under MTW 11/1/10

3: ALLOCATION OF PROJECT-BASED ASSISTANCE[34]

A. METHODS TO ALLOCATE PROJECT-BASED ASSISTANCE

KCHA may select Owner proposals for existing housing and new or rehabilitated housing constructed through non-competitive or competitive allocation, and demonstration programs as described below. While individual unit selections will not be submitted for HUD review, information regarding Project-based allocations will be provided through KCHA's MTW Annual Plans and/or Reports. The procedures for each method are listed below.

1. **Non-Competitive Allocation**

   Project-based Assistance may be allocated non-competitively in the following cases:

   a. KCHA-controlled or financed units. KCHA-controlled units include units owned directly or indirectly by KCHA or units owned by a general partnership in which the Authority is the general partner. Such units may also include those owned or controlled by another PHA when subsidy is allocated under a partnership agreement between the Agency and KCHA to Project-base units within the partner agency's jurisdiction.

      KCHA financed units include housing that has received conduit financing from the King County Housing Authority, provided KCHA enters into a long-term loan and regulatory agreement with the owner that controls the use and affordability of the project for at least 20 years or the term of the Project-based Assistance, whichever is longer. Such noncompetitive allocation can only be made on the basis of the Project-based Program's policy goals and objectives. KCHA will make documentation available for public inspection regarding the basis for the selection of a KCHA owned/controlled or financed unit upon request.

   b. A process sponsored by a partner government or philanthropic funder that will stand in lieu of a separate KCHA competitive process provided the selection occurred through a prior competitive process and it was not known that the selection would receive Project-based assistance. In each case, KCHA will insure that the project meets KCHA's Project-based Assistance Policy requirements. All procurement documentation and related documents such as application materials will be maintained for record keeping by the lead procurement agency. Examples include but are not limited to:

      1. A Regional Coalition for Housing. See Exhibit L for the details of this designation through an agreement between KCHA and ARCH.

[34] Approved MTW Policy Section V.1

2. The Bill and Melinda Gates Foundation Sound Families initiative.

3. The King County Combined Homeless Housing and Services NOFA.

4. The Washington Families Fund.

Unit selection using either form of non-competitive allocations will not be submitted for HUD review.

2. **Demonstration Programs**

KCHA reserves the right to provide Project-based Assistance to a limited number of housing projects that will serve an important public purpose, but may not qualify under the Project-based Program's policies. Parameters for demonstration programs will be included in the MTW Annual Plan and/or Report.

3. **Competitive Allocation**

Project-based Assistance for units not controlled by the Authority or an authority under contract with the KCHA must be awarded on a competitive basis through one of the following types of solicitations:

a. Requests for Qualifications (RFQ), Requests for Proposal (RFP), or Notice of Funds Available (NOFA) issued by KCHA.

b. An RFQ, RFP, or NOFA issued in partnership with other housing or service funders.

Notice of Awards or Rejections will be made to each party that submits an eligible application from the Funder that leads the solicitation process. KCHA will not advertise notice of such awards.

4. **Allocation to Entities other than Housing Owners**

KCHA may solicit and award Project-based Assistance to project sponsors that are not the Owner of a development that will receive Project-based Assistance in instances when the project sponsor has a direct and binding relationship with the Owner. Following are two examples:

a. Service Providers who will then identify an owner with whom KCHA will establish a HAP Contract.

b. KCHA may award block grants to Service Providers who will then administer the Housing Assistance Payments to the housing owner through a Sponsor-based Supportive Housing agreement with KCHA.

In each case, the Authority will insure that the project meets KCHA's PBA Program goals and objectives and applicable HUD/KCHA program requirements. The Authority will use one of the three solicitation methods listed above to notify prospective sponsors of a PB voucher allocation.

B. PUBLIC NOTICE OF PROJECT-BASED ASSISTANCE COMPETITION

The notice of competition initiated by KCHA and its partner Funders will be published to provide broad public notice which may include web-based notices, a local newspaper of general circulation, targeted minority publications with significant distribution, direct email announcements to the mailing lists maintained by KCHA and its partner funders. Notices will specify the submission deadline. Detailed application and selection information will be provided at the request of interested parties. KCHA will not limit proposals to a single site or impose restrictions that explicitly or practically preclude competition between or among Owner or Sponsor proposals for Project-based housing on different sites. A minimum number of units to be Project-based in any one development may be established for each solicitation. Competitive selection shall occur through the following means:

1. **Requests for Qualifications**

   In a Request for Qualifications issued by KCHA or a partner funder, interested parties are invited to submit their agency's qualifications to administer a proposed concept that meets KCHA's PBA Policy goals. Parties eligible to respond will include housing providers, and in the case of supportive housing, service providers. A service provider that is qualified under an RFQ must identify a housing provider and housing that meets KCHA's goals and requirements within a specified period of time established by KCHA in the funding announcement. Selection criteria will be outlined in each RFQ issued.

2. **Notice of Funds Available or Requests for Proposal**

   In a Notice of Funds Available or a Request for Proposal, interested parties are invited to submit their agency's qualifications and specific proposed project to meet a goal of KCHA's PBA Policy as outlined in the NOFA or RFP. Selection criteria will be outlined in each RFP or NOFA issued.

C. PUBLIC NOTICE OF OWNER SELECTION

KCHA will give written notice to all parties that submitted a proposal as to whether or not their proposal has passed the competitive selection. Should additional reviews be necessary, KCHA will continue to apprise the applicant of the status of their application.

KCHA is not required to provide public notice of selection but will provide this information to any party upon request.

4: OWNER APPLICATION REQUIREMENTS

A. ELIGIBLE OWNERS

KCHA will solicit and select proposals from the following types of organizations:

1. Nonprofit Organizations
2. For-profit housing owners and their representatives
3. The King County Housing Authority

B. THE OWNER'S APPLICATION

Eligible owners will be required either during or immediately following solicitation to provide an Application. Contents of the application will be dependent upon the type of solicitation and housing to be contracted as described below:

1. **Requirements for Non-competitively Selected Projects**

   Owner Application criteria for non-competitively selected projects (as described in Section 3) may include, but are not limited to:

   a. Project Description: A project fact sheet or other such documentation that provides information regarding the project and site standards as described in Section 6.

   b. Contact Information for the Owner or Owner's representative.

   c. Policy Checklist: HAP Contracts for units selected non-competitively must include a checklist of each of the policy goals of KCHA's Project-based Assistance Policy. The checklist must specify how the project meets each policy goal described in Section 1. If a specific policy goal is not applicable to the project, the Owner must certify that the Project is not in conflict with that goal.

   d. Other Federal Regulations Checklist: If committing Project-based Assistance to a project triggers other Federal Regulations (as described in Section 9), a checklist of these items and supporting documentation must demonstrate how the project meets these requirements.

   e. The number of proposed units and proposed contract rents by bedroom size or the proposed HAP amount (depending upon the project-specific solicitation guidelines).

f. Tenant Selection methods and criteria including the Owners affirmative fair housing marketing plan (except in the case of projects marketed through KCHA's Public Housing offices).

g. An MOU with a Supportive Services provider in the case of supportive housing.

2. **Requirements for Competitively Selected Projects**

Owner Application criteria for competitively selected projects (as described in Section 3) may include, but are not limited to:

a. Expression of Interest or Cover Letter with Owner contact information.

b. A project description that indicates that the project is eligible housing and meets site selection standards (as described in Section 6).

c. Organizational Qualifications Form

d. Housing Management Experience

e. Supportive Services Delivery Experience (if applicable)

f. Statement of Non-Debarment

g. Non-Collusive Affidavit

h. Section 3 Certification

i. Equal Opportunity Certification

j. The number of proposed units and proposed contract rents by bedroom size or the proposed HAP amount (depending upon the project-specific solicitation guidelines)

k. Utility Worksheet

l. Floor Plans

m. Tenant Selection Methods and Criteria

n. Other Federal Regulations Checklist: If adding Project-based Assistance to a project triggers other Federal Regulations, a checklist of these items must specify how the project meets these other federal regulations

o. A copy of the Owner's Lease and addendums

p. The Operating Pro Forma for nonprofit Owners, or a property budget for for-profit owners.

q. A Sources and Uses Table

r. If applicable, a Supportive Services Budget

s. If applicable, a resident transition plan for Transitional Housing.

t. Evidence of site control or proposed timeline for obtaining site control

u. Civil money penalty. Penalty for owner breach of HAP contract. See 24 CFR 30.68.

v. Disclosure and verification of income information. See 24 CFR part 5, subpart B.

w. Program accessibility. Certification of compliance with regulations implementing Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). See 24 CFR parts 8 and 9 as described in Section 15.

x. KCHA site visit

y. Proof of Insurance

z. A W-9 Form

3. **Existing Housing**

Additional Requirements Specific to Existing Housing Projects:

a. HQS Readiness.

b. For housing built prior to 1978: Evidence that a Lead-paint Risk Assessment was conducted by a certified EPA lead-based paint risk assessor (See Exhibit M).

c. Certification that the development has no building code or site violations.

d. Certification that the development meets crime statistic requirements.

e. Certification and documentation of the process to inform and provide subsidy to all interested and eligible in-place tenants.

4. **Project for which an AHAP is signed**

Additional Requirements specific to projects for which an AHAP will be signed are listed in Section 10: AHAP.

5: HOUSING TYPE[35]

Housing Eligible for Project-based Assistance will be considered in each of the following stages of housing development:

Existing Housing- Housing that was built prior to selection by KCHA must substantially meet HQS upon proposal selection or within a window of time designated by KCHA in the solicitation not to exceed 180 days.[36] For former Public Housing and other KCHA owned units converting to Project-based, KCHA may substitute the most recent passed unit inspection in lieu of performing a new inspection provided the unit inspection is no more than 12 months old.[37]

New Construction-Newly Constructed Housing is housing for which demolition and/or construction has not begun prior to selection by KCHA. KCHA will make a formal commitment of assistance for this housing in the form of an Agreement to enter into a HAP Contract in accordance with Section 10: AHAP.

Rehabilitated Housing- As a general rule, KCHA will not commit Project-based Assistance funding to projects undergoing rehabilitation until the project can meet the HQS. KCHA reserves the right to commit funding through an AHAP if the Owner needs a formal commitment in order to secure other project financing or if the rehabilitation is significant. KCHA will only make such a formal commitment if the Owner can certify that all required federal regulations have been fulfilled.

A. ELIGIBLE HOUSING TYPES

1. Group Homes

    a. Provides housing and supportive services for two to twelve persons for projects serving households with special needs and/or with disabilities.

    b. Residents share common areas such as living room, kitchen and bathroom.

    c. Must be licensed, certified or otherwise approved in writing by the State as a Group Home in the State of Washington.

    d. May include one or more group home units.

    e. A separate lease is executed for each family who resides in a group home. The agreement of supportive services must be attached to the lease.

---

[35] Approved MTW Policy Section V.16
[36] Approved MTW 5/20/2009
[37] Approved MTW Policy 4-11-12

f. The State approval shall be reexamined periodically based on a schedule established by the State.

2. Single Room Occupancy Housing (SRO's)

3. Single-family homes and Individual units of multi-family housing

4. Permanent and Transitional Housing

5. Shared Housing for Projects Serving Households with Special Needs[38]

   a. Allowable shared housing units will be identified through the Project-based Housing Assistance contract.

   b. An assisted family may share a housing unit with the following people:

      i. Other persons who are assisted under the Project-based housing program;

      ii. Each assisted family will have a separate lease.

6. An assisted living facility that provides home health care services such as nursing and therapy for residents of the housing

7. Manufactured Homes where the space and unit are rented as a single unit

8. Transitional Housing

9. Cooperative Rental Housing[39]

B. INELIGIBLE HOUSING TYPES

KCHA will not attach Project-based Assistance to units in the following types of housing:

1. Units on the grounds of a penal, reformatory, medical, mental or similar public or private institution.

   a. Units on the grounds of a VA facility using VASH vouchers will be exempted from the above requirement.

2. Nursing Homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care.

---

[38] Approved MTW Policy Section V.8
[39] Approved MTW 5/20/2009

3. Units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students of the institution.

4. Units occupied by an Owner of the housing including those under a cooperative ownership agreement. (An exception to this may be made in the case of Accessory Dwelling Units).

5. Manufactured home space rental.

6. The Section 8 Homeownership Program.

7. Other Subsidized units as described in Section 8: Subsidy Layering.

6: SITE SELECTION STANDARDS

KCHA will ensure that the housing site complies with Project-based Assistance Policy goals by meeting the following Site Selection Standards:

A. ALL PROJECTS

The site and neighborhood must be:

1. Adequate in size, exposure, and contour to accommodate the number and type of units proposed. Adequate utilities and streets must be available to service the site. For existing and rehab projects, “adequate utilities” includes, but is not limited to, a private disposal system and private sanitary water supply for the site. For new construction projects, “adequate utilities” includes, but is not limited to water, sewer, gas and/or electricity.

2. Accessible to social, recreational, educational, commercial, municipal and health facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.

3. So located that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive. While it is important that housing for the elderly not be totally isolated from employment opportunities, this requirement need not be adhered to rigidly for elderly projects.

4. The site must also meet the following criteria:

    a. Deconcentration of Poverty - Project-based assistance will be provided only in Census Tracts with poverty rates below 20 percent based on the official Decennial Census estimates available at the time of allocation of assistance. In addition, in the selection of projects for assistance, KCHA will give higher priority to developments located in low-poverty Census Tracts and those with low concentrations of subsidized housing units. Furthermore, Project-based assistance for permanent housing for families with children and off-site HOPE VI replacement units will only be provided in areas with poverty rates at or below 15 percent. However, the Executive Director may waive these restrictions in areas where public housing units were previously constructed and were redeveloped, where supportive housing is being developed for homeless

individuals or families, and in economically impacted areas where KCHA plans to preserve existing affordable housing.[40]

b. Compliance with the Civil Rights Act of 1964 - The site must be determined suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d(4) and HUD's implementing regulations at 24 CFR part 1; Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 301-3629); and HUD's implementing regulations at 24 CFR parts 100 through 199; Executive Order 11063 (27 FR 11527; 3 CFR, 1959-1963 Comp., p. 652) and HUD's implementing regulations at 24 CFR part 107. The site must meet the section 504 site selection requirements described in 24 CFR 8.4(b)(5).

c. Compliance with HQS - The site must meet the HQS site standards at 24 CFR 982.401(1) at the time of HAP contract execution and continuously throughout occupancy.

B. ADDITIONAL SITE STANDARDS FOR NEW CONSTRUCTION

A site for newly constructed housing must also meet the following site and neighborhood standards for deconcentration of low-income minority households:

1. **Street Access**

   a. Streets must be available to serve the site.

2. **Minority Concentration**

   a. The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.

   b. The site must not be located in an area of minority concentration unless sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or the project is necessary to meet overriding housing needs that cannot be met in that housing market area.

"Sufficient" here does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year, which, over a period of several years, will approach an appropriate balance of housing choices within and outside areas of minority concentration.

---

[40] Approved MTW Policy Section V.2

An appropriate balance in any jurisdiction must be determined in light of local conditions affecting the range of housing choices available for low-income minority families and in relation to the racial mix of the locality's population.

Units may be considered "comparable opportunities," if they have the same household type (elderly, disabled, family, large family) and the tenure type (Owner/renter); require approximately the same tenant contribution towards rent; serve the same income group; are located in the same housing market; and are in standard condition.

Application of this sufficient, comparable opportunities standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:

a. A significant number of assisted housing units are available outside areas of minority concentration.

b. There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.

c. There are racially integrated neighborhoods in the locality.

d. Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration.

e. Minority families have benefited from local activities (e.g., acquisition and write-down of sites, tax relief program for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.

f. A significant proportion of minority households have been successful in finding units in non-minority areas under the tenant-based assistance programs.

g. Comparable housing opportunities have been made available outside areas of minority concentration through other programs.

Application of the "overriding housing needs" criterion, for example, permits approval of sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood and of sites in a neighborhood experiencing significant private investment that is demonstrably improving the economic character of the area (a "revitalizing area"). An "overriding housing need," however, may not serve as the basis for determining that a site is acceptable, if the only reason the need cannot otherwise be feasibly met is that discrimination on the basis of race, color, religion, sex, national origin, age, familial status, or disability renders sites outside areas of minority

concentration unavailable, or if the use of this standard in recent years has had the effect of circumventing the obligation to provide housing choice.

The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions.

7: SUPPORT SERVICES

KCHA will approve the supportive services to be provided for projects in the Supportive Housing Program prior to entering into a HAP contract for such projects. KCHA will approve the supportive services on its own, or in partnership with a recognized supportive services funder that is invested in the project as part of the Owner's application for Project-based Assistance.

A. OWNER'S ABILITY TO PROVIDE SERVICES

An Owner must document its ability to provide supportive services. Such documentation may be provided through one of the following means:

1. The Owner Must Have Enumerated In Its Articles Of Incorporation The Delivery Of Supportive Services To Low-Income Households; Or

2. The Owner Must Have A Written Agreement With A Nonprofit Organization That Has Enumerated In Its Articles Of Incorporation The Delivery Of Supportive Services To Low-Income Households.

3. In All Cases, Direct Services Must Be Delivered By Paid, Professional Staff.

B. OWNER EXPERIENCE IN PROVIDING SERVICES

The Owner, or the Owner's approved service provider, must demonstrate a history of successful provision of services to the target population that will be served by the project.

C. TYPES OF SUPPORTIVE SERVICES

The Owner will be required to submit a supportive services plan for the project. Generally, supportive services will include case management that creates a direct relationship between the service provider and a member of each household. Services will also include additional supports and linkages including, but are not limited to: mental health and substance abuse treatment, self-sufficiency and educational programs, housing stabilization, socialization activities, daily living skills, job training and job placement. If the supportive services are provided as part of an established program, the Owner must submit a plan that identifies which program, describes the services available, and shows the staffing and frequency of contact. The Owner must also provide a services budget that demonstrates that the source and amount of service funding will be adequate to provide the services detailed in the plan.

D. HOUSEHOLD REQUIREMENT TO PARTICIPATE IN SERVICES

At the time of initial lease execution between the Family and the Owner in transitional/conditional housing, the Family will sign a supportive services lease addendum with the Owner. The Owner is responsible for monitoring the household's participation in their supportive services. The Owner is responsible for notifying KCHA when the tenant is in violation of its lease for nonparticipation in services. The household will also sign a Statement of Family Responsibilities with KCHA that contains the Family's obligations to participate in a service program. KCHA will not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in any supportive housing unit, although such services may be offered.

Families living in permanent supportive housing will not be required to sign a lease-addendum with the Owner requiring services and KCHA will not require a Statement of Family Responsibilities that includes services as a requirement. If services are required, the amount and type of service will be clearly stated in the lease addendum.

E. TERMINATION OF SERVICES

If a Family at the time of initial tenancy is receiving, and while the resident of a unit has received, supportive services and successfully completes the supportive services requirement, the unit will continue to receive Project-based assistance for as long as the Family resides in the unit. If a Family in a transitional or conditional unit fails without good cause to complete its service requirements, KCHA may take action to terminate assistance and the Owner may terminate the lease. For Families in participating in the VASH program the family may be terminated if the veteran is not participating in required case management without good cause, as determined by the Veteran's Administration (VA).

F. MONITORING OF SERVICES

KCHA will monitor the Owner's provision of supportive services on its own, or in partnership with a recognized supportive services funder that is invested in the project. In either case, KCHA will assume responsibility for ensuring that adequate supportive services are provided to all of KCHA's supportive housing participants. Monitoring will be conducted on an annual basis. At a minimum, the aspects of the program that will be evaluated include: the success rates of participating families, the demographics of families served, and the relationship between the housing and service provider.

8: SUBSIDY LAYERING REVIEW

The subsidy layering review is intended to prevent excessive public assistance in the financing of housing developments that combine (layer) Project-based Assistance with other governmental housing assistance from Federal, State, or local agencies, including assistance such as tax concessions or tax credits.

Subsidy layering requirements are not applicable to existing housing, nor is an additional subsidy layering review required for housing selected as new construction or rehabilitation of housing if HUD's designee has previously conducted a review, which included a review of PBV assistance, in accordance with HUD's PBV guidelines.

When a subsidy layering review is required KCHA will not enter into an AHAP or HAP Contract for a new construction or substantially rehabilitated development until HUD, or a qualified housing credit agency (HCA) approved by HUD, has conducted a subsidy layering review for the development and determined that the PBA, when combined with other governmental housing assistance, is in accordance with HUD subsidy layering requirements. As allowed under the Housing and Economic Recovery Act of 2008 (HERA) the Washington State Housing Finance Commission (WSHFC) received designation from HUD as a qualified HCA and is a pre-approved entity for performing subsidy layering reviews on projects seeking Project-based Assistance. In cases where the WSHFC is unable or declines to perform the subsidy layering review, such review may be completed by HUD or another HUD-designated qualified HCA.

A. SUBSIDIZED UNITS INELIGIBLE FOR ASSISTANCE

KCHA will not attach or pay Project-based Assistance to any of the following types of subsidized units:

1. A public housing dwelling unit that continues to receive PH operating subsidy from HUD.

2. A unit subsidized with any other form of Section 8 assistance.

3. A unit subsidized with any governmental rent subsidy that pays all or any part of the rent.

4. A unit subsidized with any other governmental subsidy that covers all or any part of the operating costs of the housing. (If another governmental subsidy that covers part of the operating costs of the housing is provided to non-contracted units, KCHA and the Owner must demonstrate that the operating subsidy and PBA are not supporting the same units.)

5. A unit subsidized with Section 236 rental assistance payments (12 U.S.C. 1715z-1). However, KCHA may attach assistance to a unit subsidized with Section 236 interest reduction payments.

6. A unit subsidized with rental assistance payments under Section 521 of the Housing Act of 1949, 42 U.S.C. 1490a (a Rural Housing Service Program). However, KCHA may attach assistance for a unit subsidized with Section 515 interest reduction payments (42 U.S.C. 1485).

7. A unit subsidized through the Section 202 funding for non-elderly persons with disabilities (assistance under Section 162 of the Housing and Community Development Act of 1987, 12 U.S.C. 1701 q note).

8. A unit subsidized with Section 811 funding Project-based supportive housing for persons with disabilities (42 U.S.C. 8013).

9. A unit subsidized with Section 202 supportive housing for the elderly (12 U.S.C. 1701q).

10. A unit subsidized with Section 101 rent supplement funding (12 U.S.C. 1701s)

11. A unit subsidized with any form of tenant-based rental assistance (as defined at 24 CFR 982.1 (b)(2)) (e.g., a unit subsidized with tenant-based rental assistance under the HOME program, 32 U.S.C. 12701 et seq.).

12. A unit with any other duplicative Federal, State, or local housing subsidy, as determined by KCHA <u>or HUD</u> in accordance with HUD requirements. For this purpose, "housing subsidy" does not include the housing component of a welfare payment; a Social Security payment; or a Federal, State, or local tax concession (such as relief from local real property taxes).

B. OWNER DISCLOSURE

The Owner must disclose any committed or proposed public assistance for the project at the time of Application by submitting a "Sources and Uses" table that reflects both public operating and capital funds. This table will be submitted with an Operating Pro Forma or budget for an assessment of reasonable operating costs. KCHA will review these documents and clarify any questions regarding other public assistance for the project with the Owner and/or the other project funders.

C. OWNER CERTIFICATION

The HAP Contract must contain the Owner's certification that the project has not received and will not receive (before or during the term of the HAP Contract) any public assistance for acquisition, development, or operation of the housing other than

assistance disclosed in the subsidy layering review in accordance with HUD requirements. If KCHA determines that an Owner has not disclosed such assistance, KCHA reserves the right to modify the HAP Contract with a lesser amount of HAP or terminate the HAP Contract.

D. KCHA FEASIBILITY REVIEW

In addition to the subsidy layering reviews undertaken by the Washington State Housing Finance Commission for Tax Credit Projects or by other designated agencies, KCHA may conduct reviews pursuant to its Project-based Assistance Policy, MTW Agreement and 24 CFR 4.13 to determine that the assistance provided to the project is no more than is necessary to make the assisted activity feasible. Specific Project reviews include, but are not limited to:

1. Sources and Uses of Funds: KCHA reviews the reasonableness of the sources and use of funds when the revenue stream established by Project-based Assistance and other operating revenue supports amortizing debt.

2. Operations: Income and expenses for each project are reviewed to insure that the Project-based Assistance is no more than necessary to pay reasonable operating costs including operating and replacement reserves, debt service (above) and appropriate debt-service coverage. Management fees and cash flow distributed to the Owner receives particular attention. The operating costs of each project are evaluated against those incurred within KCHA's 2000+ unit portfolio of tax credit projects or data from third-party sources on operating costs of developments in the Puget Sound region.

3. The management fee should be a reasonable percentage of gross income, although allowable management fees may be significantly higher for small projects or where gross income has been suppressed to insure housing affordability.

4. The Debt-service coverage ratio should be within the typical industry standard of 1.10 to 1.15 unless the project has little or no amortizing debt, in which case cash flow will be measured against monthly operating expenses in lieu of annual debt service.

5. In the case of tax credit properties that are self-managed by the general partner or managing member of the ownership entity, management fees, incentive management fees, asset management fees, and cash flow may be summed and analyzed collectively for reasonableness due to the common practice of expensing cash flow to avoid generating taxable income.

E. KCHA CERTIFICATION

In making the certification for assistance, KCHA will consider the aggregate amount of assistance from KCHA and from other sources that is necessary to ensure the feasibility of the assisted activity. KCHA will take into account all factors relevant to feasibility, which may include, but are not limited to, past rates of returns for Owners, sponsors, and investors; the long-term needs of the project and its tenants; and the usual and customary fees charged in carrying out the assisted activity.

If KCHA determines that the aggregate of public assistance to a housing project from KCHA and from other governmental sources exceeds the amount that KCHA determines is necessary to make the assisted activity feasible, KCHA will consider all options available to enable it to make the required certification, including reductions in the amount of Section 8 subsidies. KCHA also may impose a dollar-for-dollar, or equivalent, reduction in the amount of Project-based Assistance to offset the amount of other government assistance. KCHA may make these adjustments immediately, or in conjunction with servicing actions anticipated to occur in the near future (e.g., in conjunction with the next annual adjustment of Section 8 rents).

By executing the HAP Contract, KCHA certifies that the Subsidy Layering review has been completed and either approved at the proposed level of HAP subsidy or that the approved HAP subsidy has been adjusted in light of other public funding in the project.

9: OTHER FEDERAL REGULATIONS

A. ENVIRONMENTAL REVIEW

Activities under the PBA program are subject to HUD environmental regulations in 24 CFR Part 50 and 58.

1. **Local Responsible Entity authorized to conduct the Environmental Review**

   Under CFR part 58, a unit of general local government, a county or State (the "responsible entity" or "RE") is responsible for the Federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and related applicable Federal laws and authorities in accordance with 24 CFR 58.5 and 58.6. In KCHA's jurisdiction, the RE is King County government. The branch of King County designated to do this work is part of the King County Department of Community and Human Services (DCHS) Housing Finance Division. KCHA will prepare the project description and supply all available, relevant information necessary for the RE to perform any required environmental review for any site.

   a) If KCHA objects in writing to having the RE perform the federal environmental review, or if the RE declines to perform it, then HUD may perform the review itself (24 CFR 58.11). 24 CFR part 50 governs HUD performance of the review.

2. **Environmental Review Process**

   KCHA's role in the environmental review process is limited to the following:

   a. Identify Responsible Entity;
   b. Designate Environmental Project Sites;
   c. Prepare the Project Description;
   d. Submit Project and Environmental Information to HUD or the RE;
   e. Facilitate Public and Resident Notice and Participation (as requeted by the RE or HUD;
   f. Wait for Authorization to Use Grant Funds;
   g. Abide by Review Requirements;
   h. Advise of Changes in Scope or Conditions; and
   i. Maintain Appropriate Records.

   KCHA initiates an environmental review by submitting a complete and clear project description of the activities it anticipates undertaking at an environmental project

site over a five-year period to its Responsible Entity under 24 CFR Part 58 (or to HUD under 24 CFR Part 50). Once the project is submitted, KCHA will work with the RE (or HUD, if applicable) to provide any additional information that may be required.

The RE that is responsible for the environmental review will review the information submitted in order to determine the appropriate level of the review. Such review could result in a determination that the project is "*categorically excluded*", eligible for a limited scope review or will require a full review under the National Environmental Policy Act and the laws and authorities listed in 24 CFR 58.5. The extent of the environmental review depends on the nature of the proposed activities and the location of the project.

3. **Limitations on actions before completion of the environmental review**

KCHA may not enter into an Agreement or HAP contract with an owner, and the PHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until one of the following occurs:

a. The RE has completed the environmental review procedures required by 24 CFR part 58, and HUD has approved the environmental certification and HUD has given a release of funds, as defined in §983.3(b); or

b. The RE has determined that the project to be assisted is exempted under 24 CFR 58.34 or is categorically excluded and not subject to compliance with environmental laws under 24 CFR 58.35(b); or

c. HUD has performed an environmental review under 24 CFR part 50 and KCHA has received written notification of HUD's approval of the site.

Letters of support and preliminary conditional statements regarding KCHA's intent to provide Project-based assistance are non-binding and do not constitute a commitment of Federal assistance to a prospective project.

4. **HUD Release of Funds**

In the case of a project that requires an Environmental Review prior to approval of Project-based Assistance, King County DCHS will conduct an Environmental Review and request HUD approval for the release of Project-based Assistance funds. When Project-based Assistance is the only Federal funding in the project, King County DCHS will conduct an Environmental Review and request the release of funds specifically for Project-based Assistance. Should King County DCHS decline to

conduct an Environmental Review[41], then HUD may perform the review itself. The necessary documents shall be gathered by KCHA and submitted to HUD in order to conduct the review. HUD shall then perform the Environmental Review and notify KCHA in writing of its approval.

HUD will not approve funds for PBA if KCHA, the Owner, or any other party enters an Agreement or HAP Contract or otherwise incurs any costs or expenditures to be paid or reimbursed with such funds before HUD approves the request for release of funds (where such submission is required).

KCHA will require the Owner to carry out mitigating measures required by King County DCHS (or HUD, if applicable) as a result of the Environmental Review.

B. UNIFORM RELOCATION ACT

If a tenant is displaced as a result of demolition or rehabilitation of the property where s/he resides after KCHA has made a formal commitment (AHAP or HAP contract) to fund PBA in the development where that tenant resided, that tenant may be eligible for relocation assistance up to the levels described in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (URA) (42 U.S.C. 4201-4655) and implementing regulations at 49 CFR part 24.

1. **When Relocation is Triggered**

   In computing a replacement housing payment to a residential tenant displaced as a direct result of privately undertaken demolition of the real property, the term "initiation of negotiations" means the execution of the AHAP between the Owner and KCHA.

   a. New Construction: If an existing building is being demolished prior to new construction, the tenants of that existing building may be eligible for relocation benefits under the URA.

   b. Existing Housing: If an Owner chooses to project-base specific units in a development and an ineligible household lives in the unit to be Project-based, the Owner may wait until the tenant vacates the Contract Unit, or may provide the existing tenant with relocation benefits under the URA.

2. **Relocation Costs**

[41] King County DCHS may decline to conduct the review when Project-Based Assistance is the only federal funding and the project is owned and developed by KCHA.

The costs of relocation assistance may be paid with funds provided by the Owner, or with local public funds, or with funds available from other sources. Relocation costs may not be paid from voucher program funds.

3. **Relocation Monitoring**

   The King County Department of Community and Human Services Department will perform monitoring of Relocation benefits for all projects where DSHS has also provided federal funding. When Project-based Assistance is the only Federal funding in a project, KCHA will either designate a KCHA staff person with Relocation expertise or establish an agreement with an outside agency such as DCHS to do the monitoring.

C. LABOR STANDARDS (DAVIS BACON, SECTION 3, EQUAL OPPORTUNITY)

In the case of an Agreement for development of nine or more Contract Units (whether or not completed in stages), the Owner and the Owner's contractors and subcontractors must certify compliance with Davis-Bacon. This provision also applies to development and rehabilitation work that is undertaken within 18 months post Housing Assistance Payment contract execution.

Compliance includes paying the wages to laborers and mechanics employed in development of the housing and performing the necessary monitoring paperwork. When State-prevailing wages are higher than Davis-Bacon wages, an Owner may pay State-prevailing wages so long as the documentation for Davis-Bacon is completed. The Owner and the Owner's contractors and subcontractors must comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable Federal labor relation's laws and regulations. KCHA may monitor compliance with labor standards or designate a responsible party to do so.

1. **Monitoring of Davis Bacon**

   Where KCHA is the owner, KCHA will perform monitoring of Davis Bacon. Where KCHA is not the owner and King County and/or Washington State are committing funds to a project, KCHA will acquire a letter from the public entity performing the monitoring to certify compliance. When Project-based Assistance is the only federal funding in a project, KCHA will either designate a KCHA staff person with Davis Bacon monitoring expertise or establish an agreement with an outside agency such as DCHS to do the monitoring.

2. **Section 3--Training, Employment, And Contracting Opportunities**

   During development, the Owner must certify compliance with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and the implementing regulations at 24 CFR part 135.

3. **Equal Employment Opportunity**

During development the Owner must certify compliance with Federal equal employment opportunity requirements of Executive Orders 11246 as amended (3 CFR, 1964-1965 Comp., p. 339), 11625 (3 CFR, 1971-1975 Comp., p. 616), 12432 (3 CFR, 1983 Comp., p. 198) and 12138 (3 CFR, 1977 Comp., p. 393).

10: THE AGREEMENT TO ENTER INTO A HOUSING ASSISTANCE PAYMENTS CONTRACT (AHAP)

This section applies to newly constructed or rehabilitated housing for which KCHA has made a formal commitment of funds through an "Agreement to Enter into a HAP Contract" (AHAP).

In the AHAP the Owner agrees to develop the Contract Units in compliance with the Section 8 Housing Quality Standards (HQS), and KCHA agrees that, upon timely completion of such development in accordance with the terms of the AHAP, KCHA will enter into a HAP Contract with the Owner for the Contract Units.

A. PURPOSE OF THE AHAP

The purpose of the AHAP is to establish a formal commitment of Project-based Assistance funding to a project before it is ready to meet HQS. This funding commitment assures the Owner that when the project is HQS ready, KCHA will provide the assistance. The AHAP also assures KCHA that the Owner is in compliance with the application requirements and the Project-based Assistance policy.

B. WHEN KCHA WILL ENTER INTO AN AHAP[42]

1. **New Construction**

   An AHAP is required in all cases where KCHA is committing Project-based Assistance funding to a newly constructed development. As a general rule, KCHA will not enter into a HAP Contract for New Construction projects in which demolition or construction started prior to application for Project-based Assistance and execution of an AHAP. However, KCHA reserves the right to consider these projects if KCHA determines that the project is in compliance with all other Federal regulations relating to Project-based Assistance and KCHA's Project-based Assistance Policy.

2. **Rehabilitation**

   As a general rule, KCHA will not formally commit Project-based Assistance in an AHAP to projects undergoing rehabilitation until the project can meet the HQS. KCHA reserves the right to commit funding through an AHAP if the Owner needs a formal commitment in order to secure other project financing.

[42] Approved MTW Policy Section V.16

C. FORM OF THE AHAP

KCHA may use the HUD form 52531-A: Agreement to Enter into a HAP Contract or a locally-written version of the AHAP that meets the intent of this policy and the Administrative Plan.

D. CONTENTS OF THE AHAP

At a minimum, the AHAP must describe the following features of the housing to be developed (newly constructed or rehabilitated) and assisted under the PBA program:

1. Site;

2. Number of Contract Units and bedroom sizes to be included under the HAP Contract;

3. Services, maintenance, or equipment to be supplied by the Owner without charges in addition to the rent to Owner;

4. Utilities available to the Contract Units, including a specification of utility services to be paid by Owner (without charges in addition to rent) and utility services to be paid by the tenant;

5. Indication of whether or not the design and construction requirements of the Fair Housing Act and implementing regulations at 24 CFR 100.205, the accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) implementing regulations at 24 CFR 8.22 and 8.23, and the required percentage of accessible units apply to units under the AHAP. If these requirements are applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the AHAP;

6. Estimated initial rents to Owner for the Contract Units;

7. Description of the work to be performed under the AHAP;

    a. If the AHAP is for rehabilitation of units, the work description must include the rehabilitation work write up and, where determined necessary by the KCHA, specifications, and plans;

    b. If the AHAP is for new construction, the work description must include the working drawings and specifications;

8. A certification from the Owner or the Owner's architect that the housing will comply with the HQS;

9. KCHA reserves the right to establish additional requirement for project quality so long as these requirements are specified in the AHAP;

10. The approved Owner's Application;

11. A copy of the unexecuted HAP Contract.

12. For rehab projects where an AHAP is signed: Housing built prior to 1978 must show evidence that a lead-based paint risk assessment was conducted by a certified EPA Lead-based Paint Risk Assessor (See Exhibit M).

E. WHEN AHAP IS EXECUTED

The AHAP may not be executed before the following conditions are met:

1. The subsidy layering review is completed either by Washington State Housing Finance Commission when the project has tax credit financing or by KCHA or its designated entity.

2. King County DCHS or HUD has completed the Environmental Review procedures required by 24 CFR Part 58, if necessary.

3. The Owner agrees to carry out development work in accordance with the AHAP and the following described in Section 9:

   a. Labor Standards

   b. Section 3

   c. Equal Employment Opportunity

4. The owner has certified that the project is in compliance with the uniform relocation act.

5. The owner has certified its eligibility to participate in federal programs and activities.

6. The owner has certified that the owner and other project principals (including the officers and principal members, shareholders, investors, and other parties having a substantial interest in the project) are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

7. The owner has disclosed any possible conflict of interest that would be a violation of the AHAP, the hap contract, or HUD regulations and KCHA has found there to be no conflict.

F. COMPLETION OF HOUSING DEVELOPMENT

The Owner must develop and complete the housing in accordance with the AHAP. The AHAP must specify the deadlines for completion of the housing and for submission by the Owner of the required evidence of completion.

1. Required evidence of completion

At a minimum, the Owner must submit all of the following items as evidence of completion before KCHA will execute the HAP Contract:

a. The Certificate of Occupancy (or other evidence that the units comply with local requirements such as Temporary Certificate of Occupancy or city issued Permit that allows occupancy).

b. Owner certification that the work has been completed in accordance with the HQS and all requirements of the AHAP.

c. Owner certification that the Owner and its contractors have complied with labor standards and equal opportunity requirements in development of the housing.

d. The architect's certification that the working drawing and specifications for the units where designed in accordance with local codes and ordinances, and zoning requirements.[43]

2. Owner Non-compliance with HAP Contract

If KCHA determines that the Owner has provided misleading or false information and/or has not complied with the certifications of the AHAP, KCHA may terminate the AHAP.

G. EXECUTION OF HAP CONTRACT

If KCHA determines that the housing has been completed in accordance with the AHAP and that the Owner has submitted all required evidence of completion, KCHA will submit the HAP Contract for execution by the Owner and must then execute the HAP Contract.

[43] Approved MTW 5/20/2009

11: THE HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP CONTRACT)

A. PURPOSE OF HOUSING ASSISTANCE PAYMENTS CONTRACT

The purpose of the Housing Assistance Payments (HAP) Contract is to provide housing assistance payments for units leased and occupied by eligible households during the HAP contract term. KCHA will enter into a HAP contract with the housing Owner or the Owner's representative.

B. FORM OF THE HAP CONTRACT

KCHA may use HUD form 52530A or 52530B: Housing Assistance Payments contract, but reserves the right to create alternate forms of the HAP contract in order to meet the goals and requirements of its PBA policy. At a minimum, the HAP contract will include:

1. The approved Owner's Application
2. The name of the project
3. The total number of Contract Units
4. The bedroom sizes of the Contract Units
5. The initial rent to Owner by unit size for the first 12 months.
6. The project location
7. Utilities available to the Contract Units including a specification of utility services to be paid by the Owner (without charges in addition to rent) and utility services to be paid by the tenant
8. Services, maintenance and equipment to be supplied by the Owner without charges in addition to the rent to Owner
9. Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8
10. The HAP contract term
11. In the case of supportive housing, the HAP contract will require the Owner to have a signed agreement with a social service organization responsible for the provision of services. (If the service agreement is terminated, the Owner will have 90 days to find

a new service provider. Should the Owner not identify a new provider within 90 days, the HAP contract may be terminated.)

12. The ability for KCHA to terminate the contract at their discretion.

13. Contracts must specify that upon termination or expiration of the contract without extension an assisted family may choose to remain in the unit with Tenant-based assistance, as long as the unit is used for rental housing and is otherwise eligible for HCV assistance. This would include the unit meeting HQS as well as rent reasonableness standards. In this circumstance, tenants will not be required to initially qualify for HCV assistance.

C. OWNER CERTIFICATION

By signing the HAP Contract, the Owner certifies:

1. That the Owner will maintain and operate the Contract Units and premises in accordance with the HQS including performance of ordinary and extraordinary maintenance.

2. The Owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with KCHA and in the lease with any assisted Household.

3. To the best of the Owner's knowledge, the members of the Household reside in each Contract Unit for which the Owner is receiving housing assistance payments, and the unit is the Household's only residence.

4. The Owner (or principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a household residing in a Contract Unit.

5. The amount of the housing assistance payment is the correct amount due under the HAP contract.

6. The rent to Owner for each Contract Unit does not exceed rents charged for other comparable unassisted units.

7. That except for the Housing Assistance Payment and the tenant rent as provided under the HAP contract, the Owner has not received and will not receive any payment or other consideration (from the Household, KCHA, HUD, or any other public or private source) for rental of the Contract Unit.

8. The assisted Household does not own or have any interest in the Contract Unit.

D. WHEN THE HAP CONTRACT IS EXECUTED

1. **For Existing Housing:**

   The HAP contract will be executed following approval of the Owner Application.

2. **Housing for which an AHAP was executed**:

   In the case of housing for which an AHAP was signed, the HAP contract will be executed after the requirements of the AHAP have been met and the Owner has furnished all required evidence of completion.

3. **Staged completion**:

   If Contract Units are placed under the HAP contract in stages commencing on different dates, the annual anniversary for all Contract Units is the annual anniversary date for the first Contract Units placed under the HAP contract. The expiration of the HAP contract for all of the Contract Units completed in stages must be concurrent with the end of the HAP contract term for the units originally placed under HAP contract.

E. HAP CONTRACT TERM[44]

Using MTW program flexibility, KCHA has the sole discretion to set the initial term of the HAP contract. While the length of any HAP contract may not be for less than one year, KCHA will generally establish initial HAP terms no longer than 30 years. KCHA reserves the right to offer longer contracts if determined necessary for financial leveraging and underwriting requirements. In the case of KCHA owned properties, the initial term will generally be for 30 years. Contracts for properties participating in the RAD program will have an initial term of 40 years. Contracts will be awarded conditioned on annual appropriations. If appropriations are reduced, priority for extensions will be given to Project-based assistance over Tenant-based assistance.

Contracts may be extended after expiration of the initial term at the sole discretion of the Authority. In the case of a project that is under regulatory agreement for affordability, KCHA may establish a Contract Term for the duration of that affordability as long as other required provisions can be assured such as the provision of supportive services.

In the case of a contract in which the initial term was less than 30 years, the initial term may be extended to the full 30 year by mutual agreement of the HA and the owner. This is provided that the contract is still within the initial term and that the HA determines

[44] Approved MTW Policy Section V.13

that an extension is appropriate to continue providing affordable housing for low-income families.

F. EXTENSION OF TERM [45]

Within twenty-four months before expiration, KCHA may agree to extend the term of the HAP contract without limit if KCHA determines that an extension is appropriate to continue providing affordable housing for low-income households or to expand housing opportunities.

For units that are not KCHA owned properties, the HA reserves the right to conduct a subsidy layering review prior to contract extension. Subsequent extensions are subject to the same requirements. An Owner must be in good standing with KCHA in all aspects of the HAP contract for the development under contract and any and all other contracts or agreements between the Owner and KCHA.

If required by HUD, HAP contracts for RAD units shall be renewed.

Any extension is conditioned upon available budget authority, KCHA's discretion and is subject to approval by the Executive Director.

G. TERMINATION BY KCHA FOR INSUFFICIENT FUNDING

The HAP contract must provide that the contract term is subject to the availability of sufficient appropriated budget authority. "Sufficient" in this part means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the Owner for any contract year in accordance with the terms of the HAP contract. If it is determined that there may not be sufficient funding to continue housing assistance payments for all Contract Units and for the full term of the HAP contract, KCHA has the right to terminate the HAP contract for all or any of the Contract Units by notice to the Owner.

HAP contracts will only be terminated for insufficient funding after the HA has implemented cost saving measures throughout the HCV program per HUD guidance in PIH Notice 2011-28 or subsequent updates or additional guidance as applicable. Decisions on which HAP contracts are terminated may consider cost, tenant impact, the obligation to affirmatively further fair housing, the effect on the availability of affordable housing in the region and contract obligations.

---

[45] Approved MTW Policy Section V.13

H. CHANGE IN OWNERSHIP

If an Owner sells their property and a change of ownership occurs, KCHA must approve the new owner and must receive a written request from the Owner who originally executed the HAP contract in order to make changes regarding who is to receive the housing assistance payment. In addition, KCHA requires a written request from the new owner along with the following documents:

1. Deed of Trust showing transfer of title; and

2. Tax identification number or Social Security number.

New owners will be required to execute IRS form W-9. KCHA may withhold the rent until the taxpayer identification number is received.

I. ATTACHING ASSISTANCE TO UNITS

KCHA will attach assistance to units in selected developments according to one of the following methods:[46]

1. **Designated Units**:

   Specific units may be designated as Contract Units in the HAP contract. Designated units in multi-family developments may not be identifiable by location or designated to the least desirable units. For example, Project-based units may not all be basement apartments or clustered in one less desirable area of the development. The HAP contract may be amended to substitute a different unit at KCHA's discretion.

2. **Floating Units:**

   The number of Contract Units and range of potential bedroom sizes will be specified, and the specific units may "float" within the property. Floating means that the subsidy may be attached to different units based upon unit turnover so long as the Owner continues to make the agreed-upon number of units available at all times. The floating units will then be leased to eligible applicants upon unit turnover as vacant units become available.

   The method of attaching assistance to units shall be noted in the HAP contract for each project.

[46] Approved MTW Policy Section V.11

J. AMENDMENT TO ADD CONTRACT UNITS

At KCHA's discretion, the HAP contract may be amended to add additional Contract Units in the same development. The anniversary and expiration dates of the additional units must be the same as the anniversary and expiration dates of the Contract Units originally placed under HAP contract. Any amendment to increase the number of Contract Units will require the signatures of both the Owner of the property and the KCHA Executive Director. Note that for units under the RAD program, the HAP contract may never exceed the number of units placed under RAD PBV HAP contract at the time of conversion.

Units that are added to an existing contract are not subject to either competitive selection procedures or environmental review. Units added in this fashion are expected to provide and increase the availability of affordable housing and to continue to meet the Project-based Administrative Policy goals.

K. AMENDMENT TO DECREASE CONTRACT UNITS

At KCHA's discretion, the HAP contract may be amended to decrease the number of Contract Units in a development under contract. KCHA may decrease the number of Contract Units under the following circumstances:

1. If KCHA determines that the project has excess public assistance in response to information gathered from an interim subsidy layering review.

2. If an Owner is forthcoming that the level of subsidy granted by the full number of contract terms is no longer needed.

3. If no eligible Household rents a vacant Contract Unit within 120 days (commencing on the first day of the month following the month that the vacancy occurs).

Any amendment to decrease the number of Contract Units will only require the signature of the KCHA Executive Director. Note that for units under the RAD program, any reduction in units must be approved by HUD before any action takes place.

L. OWNER NON-COMPLIANCE WITH HAP CONTRACT

If KCHA determines that the Owner has provided misleading or false information and/or has not complied with the certifications of the HAP contract, KCHA may terminate the HAP contract and/or require the Owner to return any HAP funding for the period of non-compliance.

12: CONTRACT RENTS

The amount of contract rent is initially determined at the beginning of the HAP contract term and redetermined, at the request of the Owner, at the anniversary date of the HAP contract. The annual anniversary of the HAP contract is the first day of the month after the end of the preceding contract year. The adjusted Rent to Owner amount applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

A. DATA USED TO DETERMINE THE CONTRACT RENT AMOUNT

1. **The Payment Standard:**

   The Payment Standard for the Project-based Assistance Program will default to that of the Housing Choice Voucher program unless otherwise noted in this Plan. Using Moving to Work authority, KCHA has the flexibility to set multiple Payment Standards throughout the County to accommodate varying market conditions.[47] Exhibit D reflects the current Payment Standards at any given time.

   KCHA will review the Payment Standard for all parts of the County as needed to determine whether an adjustment needs to be made.

   For units participating in the RAD program, the payment standard used to set the initial contract rent may be the higher of the KCHA Payment Standard or 110% of the applicable HUD Fair Market Rent.

2. **Rent Reasonableness**

   a. The Reasonableness of the rent is determined at the following times:

      i. Prior to the Agreement to Enter into a HAP Contract as an estimate which may be replaced by a subsequent rent study prior to the execution of the HAP contract;

      ii. Prior to the execution of HAP contract;

      iii. Prior to the annual anniversary of the HAP contract upon the Owner's request for a rent adjustment;

      iv. If KCHA determines that the rents in a particular submarket have decreased significantly[48];

[47] Approved under MTW 10/8/2007
[48] Approved under MTW 8/30/2004

v. If the Owner changes the responsibility for payment of utilities;

vi. If directed by HUD.

b. In making a rent reasonableness determination, the HA will consider such factors as location, quality, size, unit type, age of unit, and any amenities, housing services, maintenance, or utilities provided by the Owner. In any determination about the reasonableness of the rent for a particular unit, KCHA will review and consider the following sources of information:

i. Data supplied by GoSection8. The rent reasonableness form will include the basic features of the unit being processed as well as information on three to five similar units from the GoSection8 database;

ii. Other databases available to KCHA. Examples of this include Apartment Insights and Craigslist;

iii. Any Owner unsatisfied with the rent determination may supply KCHA with rent comparable documentation obtained informally or through a licensed third party appraiser. KCHA will consider this information along with all other data gathered in their rent determination. However, the decision on the final amount remains at the sole discretion of KCHA;

iv. Where comparables are insufficient or unavailable, KCHA may require the Owner to hire a licensed third party appraiser to conduct a rent study.

c. Rent Reasonableness for KCHA Units

i. KCHA will perform rent reasonableness for all KCHA units in accordance with this section.[49]

3. **Determination of Energy Assistance Supplement**[50]:

For all Project-based Programs, the Energy Assistance Supplement (EAS) used to determine the tenant's portion of the rent will be taken from KCHA's EAS table for the Tenant-based Section 8 Housing Choice Voucher Program except those listed in Exhibit S. In general, this list will include HOPE VI, RAD and KCHA-managed properties.

Generally, utilities must be separately metered within each unit and separately billed to the tenant by the utility company if the Owner wishes to make the tenants individually responsible for the utility cost. However, current market trends now

[49] Approved MTW Policy Section V.14
[50] Approved under MTW 11/1/10

have more and more apartment complexes charging for utilities where there is not a separate meter or individual bill. KCHA will allow an Owner to bill a tenant separately for each utility as long as it is clearly stated in the lease that the utility will be the responsibility of the tenant.

B. DETERMINATION OF CONTRACT RENT

1. Except as stated in B.3 below, the initial and annual contract rent to an Owner will be the lower of:

   a. The Owner's request.

   b. The Reasonable Rent (as determined in accordance with paragraph A.2.).

   c. The Payment Standard or KCHA's Regional Payment Standard less the applicable EAS in place at the time of rent determination.

   d. The amount of subsidy needed as determined by a Subsidy Layering Review.

2. Additional Contract Rent Limitations

   The amount of rent to Owner may also be subject to rent control or other limits under local, State, or Federal law including:

   a. HOME. For units assisted under the HOME program, rents may not exceed rent limits as required by the local administrator of the HOME program (24 CFR 92.252), King County.

   b. Subsidized projects (1) this paragraph applies to any contract units in any of the following types of federally subsidized projects:

      i. An insured or non-insured Section 236 Project-based Assistance

      ii. A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action

      iii. A Section 21 (d)(3) below market interest rate (BMIR) Project

      iv. A Section 515 project of the Rural Housing Serve

      v. A project receiving low-income housing tax credits

      vi. Any other type of federally subsidized project specified by HUD

3. **Contract Rent Exceptions**

a. The HA may approve gross rents (contract rent + EAS) that exceed the payment standard up to the rent reasonable amount. When an exception is approved, the gross rent will be the payment standard when calculating the tenant rent. Exceptions may be granted in the following cases:

   i. For privately-managed developments with supportive service programs.[51]

   ii. When a change in the EAS amount increases the gross rent above the current payment standard.

b. Contract rents for projects under the RAD program will be adjusted per the contract terms for that project and must be consistent with RAD project guidelines.

C. OWNER REQUEST TO REVISE THE CONTRACT RENT

A revision of rent to Owner must be made according to the following guidelines:

1. **Rent Increase**

The Owner may request an increase in the contract rent 60 days prior to the annual anniversary of the HAP contract by written notice to KCHA. KCHA may not approve and the Owner may not receive any increase of rent until and unless the Owner has complied with all requirements of the HAP Contract, including compliance with the HQS. The Owner may not receive any retroactive increase of rent for any period of non-compliance.

- Implementation of Rent Increase

KCHA will only make an adjustment to the Contract Rent once per year. The Owner may only apply the adjustment to the Tenant Rent at the tenant's lease anniversary.

2. **Rent Decrease**

When there is a significant decrease in the market rents in King County, KCHA will review the rents of Owners in the Project-based Assistance Program through a rent reasonableness study and lower the rents if necessary.

D. OTHER FEES AND CHARGES

1. The cost of meals or supportive services may not be included in the rent to Owner and the value of meals or supportive services may not be included in the calculation of reasonable rent. The cost of meals may be added to the tenant portion of rent

[51] Approved MTW 5/20/2009

only if all tenants have the option to choose such a meal program and the cost of meals is not attributed to the Project-based subsidy payments.

2. The lease may not require the Tenant or family member to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

3. The Owner may not charge the tenant extra amounts for items customarily included in the rent in the locality or provided at no additional cost to the unsubsidized tenants in the premises.

4. One exception is that in a certified assisted living development receiving Project-based Assistance, Owners may charge an additional fee to Tenants, family members, or both for meals or supportive services. These charges may not be included in the rent to Owner, nor may the value of meals and supportive services be included in the calculation of reasonable rent. Non-payment of such charges is grounds for termination of the lease by the Owner in a certified assisted living development.

E. CONTRACT RENTS FOR SPECIAL HOUSING TYPES

1. Shared Housing[52]

   As a general rule, Shared Housing will only be allowed as a reasonable accommodation for those families with members who are disabled to make the program more easily accessible; however, it may be used for non-disabled participants where support services are involved.

   a. Under the Project-based program, the shared housing will be considered one housing unit for determining Rent Reasonableness and the Housing Assistance Payment. Only those families qualifying for Section 8 can reside in the shared housing units.

   b. Each assisted Family must be determined eligible under the same guidelines used to qualify other Section 8 applicants (i.e., meeting the definition of a Family; income eligibility limits, etc.).

   c. Each assisted Family will have a separate lease for their portion of the unit.

   d. Determining the Rent and Housing Subsidy:

      i. Contract Rent

[52] Approved MTW Policy Section V.8

- The Contract Rent for each subsidized Family is pro-rated by dividing the total contract rent for the unit by the number of bedrooms in the unit to determine a per bedroom price. This figure is then multiplied by the number of bedrooms the Family is eligible to occupy to determine the total pro-rated rent.

- The total bedrooms in the unit may not be less than the total bedrooms required by all persons living in the shared unit and all pro-rated rents must add up to the total contract rent.

ii. Rent Reasonableness

- The rent to Owner for the subsidized Family may not exceed the pro-rated portion of the reasonable rent for the shared housing unit.

iii. Housing Subsidy – The payment standard is the lower of:

- The payment standard for the Family unit size; or

- The pro-rated portion of the payment standard for the shared housing unit size.

iv. Energy Assistance Supplement

- The EAS for an assisted Family residing in shared housing is the pro-rated portion of the EAS for the shared housing unit.

e. The rent and HAP will be determined as stated above, except in the following special situations:

i. The Willows

- The Contract Rent is set on a per-family basis and will be determined by averaging a 10-bedroom payment standard with a 2-bedroom payment standard. Each housing unit will house no more than 15 families spread among the three units.

- Rent reasonableness is based on 2-bedroom units in the area, as information on 10-bedroom units is unavailable.

- Housing Subsidy- in determining the housing subsidy, the payment standard will equal the Contract Rent.

f. Vacating the Unit

i. **Filling a Vacancy** - When one Family chooses to leave the shared housing unit, it is the Owner's responsibility to refill the vacant portion of the unit. Neither the residual tenants nor the HA can be asked to pay the lost payment.

ii. **Payment for Move-out Month** - If an assisted Family moves out of the unit, the Owner may keep the housing assistance payment payable for the calendar month when the Family moves out. However, the Owner may not keep the payment if KCHA determines that the vacancy is the Owner's fault.

iii. **Vacancy Payments** - KCHA will make no vacancy payments to the Owner beyond the remainder of a move-out month.

13: TENANT APPLICATION PROCESS

A. GENERAL APPLICATION REQUIREMENTS

The following application requirements apply to ALL Project-based Assistance Programs.

1. **Income Targeting Requirements**

   KCHA applies the statutory requirement of the Housing Choice Voucher Program requiring 75% of newly admitted families in any fiscal year be Extremely Low-Income families to the Project-based Assistance Programs. This requirement does not apply to each individual Project; rather it applies to the Project-based Assistance Program as a whole. To ensure that this goal is met, KCHA will twice yearly monitor incomes of newly admitted families and the income of the families on the waitlists. If it appears the requirement is not being met, KCHA will determine whether particular projects are not meeting the requirement and work with them to make adjustments in program outreach and screening as needed. KCHA retains the right to skip higher income families on the waiting list to reach extremely low-income families. If there are not enough extremely low-income families on the waiting list, KCHA will conduct outreach on a non-discriminatory basis to attract extremely low-income families to reach this goal.

2. **Waitlists**

   KCHA and/or Owners will administer waitlists in a manner that affirmatively furthers Fair Housing goals and prohibits discrimination. Waitlists and selection will be administered in a manner that is in accordance with Title VI of the Civil Rights Act of 1964, the Federal Fair Housing Act, Executive Order 11063, as amended, Executive Order 12259, Executive Order 12892, Title II of the American with Disabilities Act, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, State or local Fair Housing laws, and any other HUD requirements and regulations issued under the above authorities.

   In addition, KCHA will ensure compliance with the Violence Against Women Act of 2013 (VAWA 2013) which provides that an applicant for assistance under a covered housing program may not be denied admission to or denied assistance on the basis or as a direct result of the fact that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant otherwise qualifies for admission, assistance, participation, or occupancy.

   Waitlists are Program specific. Generally applicants applying for Permanent Replacement Housing would apply through the Central Applications Center and choose “Private Housing” as their waitlist choice. Supportive Housing Programs do not maintain a waitlist due to the urgent situation of the households targeted.

Instead, owners and/or their contracted service provider will refer households needing a unit as they become available. [53]

3. **Referral and Waitlist Monitoring**

   To ensure that Project-based Assistance referral and waitlist processes are effective in meeting Fair Housing guidelines, KCHA monitors the processing of applicants on the waitlist. In the case of project sponsors managing and maintaining a waiting list, the sponsor will be required to submit a detailed Tenant Selection and Assignment Plan that meets all of the requirements of furthering Fair Housing goals and objectives and the Authority's policies and procedures. If this monitoring appears to reflect a disproportionally underrepresented portion of the target population, KCHA will begin more frequent monitoring of those projects and begin corrective action including, but not limited to: requiring new referral sources be added to the outreach plan, changes in program design that provide more culturally-appropriate services, and/or replacement of the referring agency.

4. **Suspension of Applications**

   If the number of Applicants claiming Preferences on any waitlist greatly exceeds the number of Families that the Housing Authority is likely to be able to house within the following 12 months, the Housing Authority may at any time suspend the acceptance or processing of new applications or the addition of any new Applicants on that waitlist.

5. **Housing Choice Voucher Program Applicants**

   KCHA will not directly offer applicants on its HCV waitlist the opportunity to apply for Project-based Assistance. However, applicants on the HCV waitlist or any KCHA-managed subsidized housing waitlist may apply for any Project-based Project waitlist for which they are eligible.

6. **Availability of Information regarding Project-based Projects**

   KCHA and/or Owners will make information available to Applicants upon request regarding Project-based Projects including: a description of the development, services offered, and estimates of the time that an applicant may be on a specific waitlist.

7. **Rescheduling Appointments**

   The Housing Authority will allow a Family to reschedule for good cause. Generally, no more than one opportunity will be given to reschedule without good cause, and

[53] Approved MTW Policy Section V.4

no more than two opportunities will be given for good cause. The decision as to the qualifications of "good cause" will be made on a case-by-case basis and will be at the discretion of the Housing Authority. Applicants who are being removed from a waitlist for reasons other than lack of response will be offered the right to an informal review before being removed from a waitlist.

B. ORDER OF SELECTION- ALL PROGRAM CATEGORIES

1. Preferences

Preferences establish groups of Applicants that are prioritized over other Applicants, regardless of date and time. Preferences are established for each Project-based Assistance Program. KCHA will publicly notify interested parties for comment any time a new local preference is proposed or a current local preference is revised. Interested parties will be invited to comment on the proposed changes and present any concerns they feel should be addressed. Any change in the Project-based local preferences will be made in accordance with the provisions of the MTW Agreement with HUD and its MTW Annual Plan.

2. Executive Director's Waiver

Applicants who, as determined by KCHA, are in urgent situations where they do not qualify for any of the preferences in a particular Program may be approved to receive Project-based Assistance by the Executive Director. All such situations will be verified as to the urgency of the Applicant's housing needs.

3. Accessible Units

In selecting families to occupy Project-based units with special accessibility features for persons with disabilities, KCHA will refer, and the Owner must select families needing these unit features above others on the waitlist.

4. Eligibility

For purposes of eligibility, all families who qualify for a preference will be considered eligible to be placed on the Project-based waiting list except "other" single persons who are defined as those who are not elderly, near-elderly, or disabled attempting to apply on their own.

5. Existing Tenant <u>Protections</u>

In order to minimize displacement of in-place families, the HA will have full discretion to either turn on Project-based subsidies upon vacancy at the property, or to offer in-place protections. In-place protections are applicable if an existing unit that is to be placed under contract is occupied by an eligible family on the date of the execution of the Project-based HAP contract. These protections also apply to

occupied units where rehabilitation is planned. If this is the case, families will be given the opportunity to apply for assistance. Admission of such families is not subject to income targeting, however existing tenants must meet a local housing preference described under Section G.4 in order to qualify for the Project-based subsidy. If an existing family is determined eligible and placed on KCHA's waitlist, they will be given an absolute selection preference and referred to a unit that is appropriately sized for the family. Families under lease at the time of execution of a HAP contract will be required to sign a new one-year lease at the time that their subsidy begins. This provision does not apply when converting properties from one subsidy type to another, in which case the rules of the conversion program (such as RAD) will apply.

a. **Notice to Existing Tenants.** If Project-based Assistance is to be turned on upon unit vacancy, this section does not apply. If a property is being converted to PBV from another subsidy type, this section also does not apply. KCHA will ensure that Owners of Existing Housing Developments notify all existing eligible tenants of the opportunity to apply for assistance and that all tenants are given ample time and accommodations to make an application for assistance. Once an Owner has notified existing tenants of the opportunity to apply for Project-based assistance, tenants will have a specified time frame (generally not less than 30 days) in which to submit an application for assistance to the Owner. If an existing tenant seeks to apply for assistance after the specified time frame or moves in after the effective date of the HAP contract the Applicant will be required to apply through the standard application waitlist. The Owner will initially screen the existing tenants for eligibility and send this documentation to KCHA for verification.

C. TIMING/VERIFICATION OF LOCAL PREFERENCE

All applicants will be allowed to initially qualify for a Preference by claiming their Preference on their application. Before actually being approved for assistance, all applicants will be required to document that a Preference exists. If an Applicant does not certify or cannot provide such verification, or if a change in the applicant's circumstances has occurred resulting in the loss of a Preference, the Applicant will be withdrawn. The HA will waive this requirement for applicants who are participants in the Rapid Rehousing Program (RRP) or any similar short-term subsidy program (lasting 12 months or less). Such applicants will be eligible to retain their initially claimed local preference during participation in these programs.

If a Project-based Applicant is currently receiving Tenant-based assistance under the HOME Program, the HA determines whether the applicant qualifies for a Local Preference based on the situation of the applicant at the time they received assistance from the HOME Program.

D. DENIAL OF LOCAL PREFERENCE

An Applicant denied a Preference will receive a prompt written notice giving a brief statement of the reasons for the denial and given an opportunity to utilize the Informal Review process to review the denial. This review will be limited only to the issue of whether the applicant meets the criteria for receiving a Preference.

E. REMOVING APPLICANT NAMES FROM A WAITLIST

The Housing Authority or Owner will not remove an applicant's name from a waitlist unless:

1. The applicant requests that their name be removed (in writing);

2. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program or misses scheduled appointments;

3. The applicant does not meet the eligibility criteria for the Project; or

4. There is insufficient funding for the Section 8 Program to cover the costs of the Project. Should this occur, the Housing Authority reserves the right to cancel all or a portion of the applications on the Project-based waitlist(s) without prior notice to the Applicants.

Should one of these situations occur, the application will be listed as "Withdrawn". Sufficient information is to be entered on the application form to establish the ineligibility status and the applicant is to be informed in writing of the reason(s) for the denial and right to appeal the determination.

The Housing Authority will consider written requests for reinstatement of non-responsive applicants within twelve months of the date of withdrawal. In addition, any applicant who subsequently maintains that their failure to respond was caused by their disability will be provided reasonable accommodation to explain their circumstances. Should the Family be reinstated, their application will be placed in their former position on the waitlist.

Persons with disabilities who require a reasonable accommodation in completing an application may call the Housing Authority to make special arrangements. A Telecommunication Device for the Deaf (TDD) is available for the hearing impaired. The TDD telephone number is posted in the Section 8 Office and each Public Housing Management Office.

F. HOUSED STATUS

When an applicant is housed in a Project-based KCHA managed property, the applicant's name will be withdrawn from all other Project-based waitlists. For those housed in transitional housing, once the applicant completes their transitional program, they would be eligible for Public Housing through the Sound Families Graduation Process. If a tenant later leaves their Project-based unit in good standing, there is no restriction on reapplication for any housing program later.

G. APPLICATION PROCEDURES –PERMANENT REPLACEMENT HOUSING PROGRAM

The Project-based Permanent Replacement Housing Program "replaces" demolished Public Housing units by attaching Project-based assistance to privately-managed Developments in geographic areas of low poverty and high employment rates. The Program is known to the public as the "Private Housing Program". The Permanent Replacement Housing Application Process mirrors that of the Public Housing Program as closely as possible in order to ensure these Project-based Units are as accessible as the public housing units they are replacing once were.

1. Permanent Replacement Housing Waitlist Process

After all qualified existing tenants have been assisted; new Applicants will typically be referred by KCHA to Owners in the Permanent Replacement Housing Program at a ratio of 1 to 1 between the Standard Project-based Regional Waitlists and the Sound Families Graduate Waitlist, except in cases where the property maintains a site-based waitlist (see below).

a. Standard Permanent Replacement Housing Waitlists

Unless otherwise stated, Applicants wishing to apply for Permanent Replacement Housing will apply through a Regional Permanent Replacement Housing Waitlist based on bedroom size needed. Those Permanent Replacement Housing Developments not designated in the regional waitlist area will maintain site-specific waitlists until two or more Developments are contracted in a particular region, at which point KCHA may establish a new Regional Waitlist.

Interested households may obtain an initial application for Housing through KCHA's Central Applications Center (CAC) and/or website www.kcha.org. This form provides the opportunity to apply for a number of KCHA's subsidized housing programs. Once completed, the CAC places the Applicant Family on the appropriate Waitlists.

The applicant must report changes in their applicant status including changes in family composition, income, or preference factors to the CAC who will make any changes to the application and update their place on the waitlist. Confirmation of the changes will be confirmed with the Family in writing.

b. **Identifying the Next Applicant**

Due to the large number of unresponsive applicants, KCHA may contact a cluster of applicants on any Permanent Replacement Housing waitlist prior to receiving a Notice of Available Unit from an Owner to pre-screen the applicant for Housing Authority eligibility. When KCHA sends an Update Letter to an applicant, the applicant will have 10 days to respond. If the applicant does not respond within 10 days, their application may be withdrawn from the waitlist. An applicant may be reviewed for re-instatement on the waitlist if s/he responds in writing within 12 months of the date of the Update Letter and request to be reinstated. Updated applicants will be offered available units based upon the date of their response to these inquiries and the certified date of their application.

c. **Site-specific waitlists**

For a subset of projects, it may be more appropriate for Owners to maintain their own waitlists. KCHA shall make the determination on an individual case-by-case basis as to whether it is appropriate for a Permanent Replacement Housing project to have a site-based waitlist. This may be considered in cases where the project serves a specific target population (i.e. seniors) from which KCHA's waitlist may not have sufficient eligible applicants to select or when the Owner's application requirements and/or fees vary from KCHA's.

In such cases, KCHA will review the Owner's referral sources and tenant selection methods and criteria at the time of the Owner's application for Project-based Assistance, to determine that they are broad-based, affirmatively furthering Fair Housing goals, and prohibiting discrimination.

2. Sound Families Graduate Waitlist[54]

Only graduates of KCHA-funded Sound Families programs are eligible for this set-aside waitlist. Upon graduation, the graduate and his/her case manager completes an Update Packet and Graduation Notice and submits them to the CAC. The CAC dates and time-stamps the Update Packets and processes them to the extent necessary to determine whether the applicant is eligible for permanent subsidized housing.

[54] Approved MTW Policy Section V.7

The CAC will update information in KCHA's management information system according to the bedroom size needed, preference and date/time of application and will keep it in a permanent file at the CAC. Updated graduates are then placed on the Sound Families set-aside waitlist for permanent, subsidized housing at the CAC.

Sound Families transitional housing participants are only eligible for the Permanent Replacement Housing Program upon graduation. They are not, however, eligible for Permanent Replacement Housing projects where a site-specific waitlist has been approved. If a Family applies for Permanent Replacement Housing prior to graduation, KCHA will notify the Family in writing that they are not eligible to be placed on the Permanent Replacement Housing waitlist until KCHA has received a written Graduation Notice and Update Packet confirming their status.

3. Applicant Notification and Eligibility Determination

Prior to or upon receipt of a Notice of Available Unit, KCHA will contact the next qualified applicant from either the Sound Families or Standard Permanent Replacement Housing Waitlist and instruct him/her to contact the Owner immediately. KCHA will also immediately provide the Owner with the name and contact information for the applicant.

KCHA will make a preliminary eligibility determination upon initial contact with the applicant and work with the applicant to collect information to verify preferences and income at the same time as the Owner screening process.

a. **Owner Suitability Determination**

The Owner will screen the applicant using standard screening criteria used for all applicants to the Development. Owners may apply set-aside requirements from the Low-Income Housing Tax Credit Program to their selection criteria. Applicants for Permanent Replacement Housing will be required to pay any screening fees and provide screening documentation directly to the Owner. The Owner is responsible for notifying KCHA whether or not each applicant passes their screening in a timely manner. If the applicant fails to make contact with the Owner within 48 hours, the Owner may request that KCHA refer the next applicant on the waitlist.

b. **Owner Approval of Applicant**

If the applicant passes the Owner's screening, KCHA will determine the Total Tenant Payment (TTP), brief the applicant, and schedule the inspection in accordance with other Sections of this Administrative Plan.

c. **Owner Rejection of Applicant**

If the applicant does not pass the Owner's screening, the applicant will be allowed to remain on the Permanent Replacement Housing waitlist and be screened by a second Owner with an available unit. If the applicant does not pass the second Owner's screening, the applicant will be removed from all Permanent Replacement Housing waitlists. Owner-denial does not apply in the case of applicants who were denied based upon Owner criteria for tax-credit set-asides. Applicants denied by Permanent Replacement Housing Program Owners will not be removed from any other KCHA subsidized housing waitlists. A withdrawal from the Permanent Replacement Housing waitlist does not affect the Public Housing waitlist status.

d. **Applicant Rejection of Unit**

Applicants may only reject the offer of a unit for good cause. Rejection for good cause will preserve the applicant's placement at the top of the waiting list. Rejection of a unit for other than good cause will result in removal from the Permanent Replacement Housing waitlist. Good cause includes the following:

- Documented reasons related to health, disability or proximity to work, school, or childcare (for those working or going to school), or
- Documented situations where an applicant is temporarily unable to move at the time of the offer (such as major surgery requiring a period of time to recuperate, or serving on a jury; or
- Refusal (turn-down) of a studio apartment by a household that includes more than a single individual; or
- Refusal by an applicant who has turned down an offer for a unit in order to continue participating in a documented transitional housing program from which they have not yet graduated as long as the graduation date does not to exceed 12 months from the date of refusal.

Where it is determined that an applicant's basis for refusal of an offered apartment does not meet established good cause criteria, the applicant will be offered the right to an informal review of the decision to cancel their application for housing assistance.

4. Permanent Replacement Housing Program Order of Selection

Permanent Replacement Housing Program Applicants who meet one of the following Housing Choice Voucher "Local Preference" Categories will be served before those applicants who do not.

The HA will publicly notify interested parties for comment on proposed changes to local preferences consistent with 24 CFR 982.207. Interested parties will be invited to comment on the proposed additions and present any concerns they feel should be addressed. Any change in the HA local preferences will be made in accordance with the provisions of the MTW agreement and the annual plan.

- **Extremely Low-Income Household.** Applicant whose total household income is equal to or less than the higher of the Federal poverty level or 30% Of the Area Median Income for Their Household Size.[55]

- **Involuntarily Displaced**. A Family is or will be considered involuntarily displaced if the applicant has vacated or will have to vacate the unit where the applicant lives because of one or more of the following:

  - Displacement by disaster;
  - Displacement by government action;
  - Displacement by action of a housing Owner (where a signed lease existed);
  - Displacement by domestic violence;
  - Displacement to avoid reprisal;
  - Displacements by hate crimes. Hate crimes are actual or threatened physical violence or intimidation that is directed against a person or his or her property and that is based on the person's race, color, religion, sex, national origin, disability, or familial status;
  - Displacement by inaccessibility of unit;
  - Displacement because of HUD disposition of a multifamily project.

- **Substandard Housing**. A Family is living in "Substandard Housing" if they are "Homeless" as defined in Section 2 of this Administrative Plan, or if living in housing that:

  - Is dilapidated;
  - Does not have operable indoor plumbing;
  - Does not have a usable flush toilet inside the unit for the exclusive use of the Family;

[55] Approved under MTW 11/18/09

- Does not have electricity, or has inadequate or unsafe electrical service;
- Does not have a safe or adequate source of heat;
- Should, but does not have a kitchen;
  - Has been declared unfit for habitation by an agency or unit of government.

➢ **Rent Burden.** A rent-burdened Family is a Family who is currently paying more than 50% of total family income for rent and utilities. *(Individuals and families who choose to pay a rent in excess of the established FMR for their bedroom size will not qualify as rent burdened.)*

H. APPLICATION PROCEDURES- PUBLIC HOUSING REDEVELOPMENT (INCLUDING SUBSIDY-ONLY CONVERSIONS OR SIMILAR)

The Project-based Public Housing Redevelopment Program attaches Project-based Assistance to units that were formerly subsidized with Public Housing operating subsidies.

1. **Waiting Lists –** The waiting lists, application process, and order of selection for Project-based units in this Program are operated in accordance with Section 6 of the Public Housing ACOP including any and all amendments.

   a. For units converted to Project-based Section 8 from Public Housing "Mixed-Population Buildings" via the Rental Assistance Demonstration (RAD) program, the tenant selection plan stemming from the HUD-approved Public Housing designation plan in place prior to conversion will also continue to apply to that property.

2. **Conversion –** the following rules will apply when initially converting a unit from Public Housing to Project-based subsidy:

   a. Income and family composition for residents living in Public Housing at the time of redevelopment will be determined using verification from the most recent Public Housing review (interim, update, or full recertification) provided it is no more than 12 months old.

      i. For conversions under the RAD program, initial tenant rent and HAP will be determined using the existing Public Housing rent, until the residents first regular certification (interim, update or full recertification) under the Project-based program.

b. Existing residents will not be required to meet a Local Preference (as described above in G.4) or other eligibility criteria as they are considered to be "continuously assisted".

c. If redevelopment under the RAD program includes rehabilitation or construction that requires the relocation of existing residents, the following provisions will apply:

   i. Any relocated residents will have a right to return to the property.

   ii. At return they will not be subject to re-screening for eligibility for the subsidy program.

d. Conversion will not reset the anniversary date used for reviews. Households will retain their anniversary date that was in place prior to the conversion.

e. If a resident living in a Public Housing at the time of conversion via the RAD program has a rent increase **solely** due to the RAD conversion the following rules will apply.

   i. If the rent increase is less than or equal to $100, then the change will immediately apply.

   ii. If the rent increase is more than $100, then the phase-in will apply. [56]

      1. Year 1: Any certification performed prior to the 12-month anniversary of the conversion certification – the first $100 of difference between most recently paid TTP and the PBV TTP.

      2. Year 2: From the 12-month anniversary of the conversion to the 24-month anniversary of the conversion – the next $100 of difference (up to $200) between the most recently paid TTP and the calculated PBV TTP.

      3. Year 3: From the 25-month anniversary of conversion forward and all subsequent recertifications – full calculated PBV TTP.

I. APPLICATION PROCEDURES-LOCAL PROGRAM (INCLUDING TAX CREDIT)

The Project-based Local Program uses Project-based Assistance to preserve the affordability and physical integrity of Existing Housing stock that serves low-income households and is in physical jeopardy due to a lack of capital reserves and/or operating subsidy.

[56] MTW Activity 2004-7 (updated 2026).

1. **Local Program Waitlist**

   After all qualified existing applicants have been assisted; KCHA will establish a waitlist at the Project site or may pull applicants from existing housing waitlists managed by KCHA. The waitlist must be established according to date and time of application by bedroom size. Interested households may obtain an application on the KCHA website at www.kcha.org or at any property.

2. **Order of Selection**

   Applicants of Local Program Developments will be required to meet one of KCHA's "Local Preference" categories as described in section G.5 above and will be served before those applicants who do not.

J. APPLICATION PROCEDURES- PERMANENT SUPPORTIVE HOUSING

The Permanent Supportive Housing Programs assist households who need supportive services in order to access and remain in their housing. The units subsidized in these Projects are targeted to homeless households and/or those with disabilities.

1. **Permanent Supportive Housing Waitlists**

   Because of the urgent housing situation of the households targeted for these Programs, neither KCHA nor Owners will maintain waitlists for Supportive Housing Projects. Instead, Owners and/or their contracted Service Providers will refer households needing Permanent Supportive Housing as units become available. Referring agencies may take roommate-compatibility into consideration in shared housing situations. At the time of the Owner's application for Project-based Assistance, KCHA will review the Owner's referral sources and tenant selection criteria to determine that they are broad-based, affirmatively furthering Fair Housing goals, and prohibiting discrimination.

2. **Applicant Referrals**

   When a HAP contract is executed for a Supportive Housing Project or unit turnover produces a vacancy, the Service Provider will work with the Owner to ensure suitability prior to referring applicants to KCHA for eligibility determination. The Service Provider will assist applicants in completing the eligibility packet and will designate a representative to answer questions and correspond with KCHA.

   The Service Provider will send enough completed eligibility packets to KCHA to fill their vacant contract units. When a large number of applicants are in the process for a particular Project at any given time, KCHA will arrange a group briefing in accordance with Section 18.

3. **Order of Selection for Permanent Supportive Housing for Homeless Families**

As stated in paragraph J.2. above, applicants are selected as units become available and therefore, selection is based on an as needed basis.

4. **Order of Selection for Permanent Supportive Housing for Persons with Disabilities**

When a Supportive Housing Project is established for people with disabilities who are not specifically moving out of homelessness, a Project-specific waiting list can be established with the following preference:

a. Disabled households needing supportive services - A Supportive Housing waiting list may give preference to disabled households who need services offered at a particular Project. The preference is limited to the population of households with disabilities that significantly interfere with their ability to obtain and maintain themselves in housing:

   i. Who, without appropriate supportive services, will not be able to obtain or remain in housing; and

   ii. For whom such services cannot be provided in a non-segregated setting.

14: TENANT ELIGIBILITY

A. ELIGIBILITY FOR INITIAL SCREENING

Applicants must meet both KCHA eligibility and Owner screening in order to be offered a Project-based unit. Among income eligible applicant families of the size and composition appropriate to available Project-based units, families will be selected without regard to race, color, religion, age, sex, national origin, familial status, marital status, parental status, sensory, mental, or physical disability or the use of a trained guide dog by a visually or hearing impaired person. In addition, no person will be automatically excluded from participation in or denied the benefits of the Project-based program solely because of membership in a class such as unmarried mothers, recipients of public assistance, persons with a disability, etc.

1. Families will be considered **eligible** who:

   a. Qualify as a "Family" as defined in Section 2.

   b. Have a head of household who is at least 18 years of age (the legal age to enter into and be held accountable for a lease under state law), unless the designated Head of Household documents approval as an Emancipated Minor pursuant to Washington State regulations (RCW 13.64.).

   c. Have Annual Income, at the time of application that does not exceed 80% of the median income for the area (See Exhibit D) set by HUD with the following exceptions:

      i. For Tax Credit residents, Annual Income level cannot exceed 60% of area median income.

      ii. New applicants applying to live at the Project-based units at the Bellevue Homes, Campus Court I & II (house), Shoreham, Victorian Woods, Evergreen Court, Federal Way Homes, Kings Court, Eastridge House, Greenleaf, Cedarwood, Juanita Court, Juanita Trace I & II, Kirkwood Terrace, Avondale Manor, Forest Grove, Glenview Heights, Vista Heights, Youngs Lake Commons, Pickering Court, Riverton Terrace Family units, and Wellswood must be at or below 60% of their Adjusted Median Income for the family size.

      Income Limits apply only at admission and are not applicable for continued occupancy. An applicant who initially qualifies but whose income subsequently increases beyond the income limits prior to housing shall be denied admission.

d. Are current residents of a Public Housing Redevelopment property, regardless of their income level, who were living on the property at the time of conversion, and who have been continuously assisted in their unit since the date of conversion.

e. Qualify as *Citizens* or as *Noncitizens* who have eligible immigration status (as defined in Exhibit E).

   i. A family that consists of a single individual who does not contend to have eligible citizenship or immigration status **is not eligible**.

   ii. A family that includes two (2) or more individuals must include *at least* one household member who is a citizen or has eligible immigration status. KCHA may not make assistance available to a Family applying for assistance until at least the eligibility of one family member has been established by the submission of the required documentation (and then assistance must be prorated based on the number of individuals in the Family for whom the required verification has been submitted).

   iii. Once the verification has been properly submitted, no Family shall have their assistance delayed, denied, or reduced because of delays in verifying this information on the part of the USCIS.

   iv. Applicants denied assistance as a result of their immigration status will be informed of their right to request an appeal of the results of the USCIS verification to the USCIS or request an Informal Review with the Housing Authority (in lieu/upon completion of the USCIS appeal). The notice will also inform the applicant:

      - Of the reason for the denial.
      - That they may be eligible for pro-ration of assistance based on the number of family members with “eligible immigration status”.
      - Of the time limits and procedures that must be followed when requesting an appeal to the USCIS and/or Housing Authority.
      - That assistance may not be delayed, denied, or reduced until the conclusion of the USCIS appeal process, but, that assistance may be delayed, denied, or reduced while awaiting the outcome of the Housing Authority’s Informal Review process.

2. Families will be considered **ineligible** who:

   a. Fail to disclose and submit required documentation to verify the assigned Social Security number (SSN) for each family member.

i. A family is required to disclose and submit proper SSN documentation for each household member. However, the HA may not deny assistance to a *Mixed Family* due to non-disclosure of an SSN by an individual who does not contend to have eligible immigration status.

ii. See Exhibit E for additional information, including but not limited to information regarding applicability to current tenants who have not previously disclosed and/or documented an assigned SSN and special requirements when requesting the addition of a new family member to an existing household.

b. Who sign the required consent forms:

i. In order to be eligible, each member of the family who is at least 18 years of age, and each family head and spouse regardless of age, shall sign one or more consent forms.

ii. The consent form must contain, at a minimum, the following:

1. A provision authorizing HUD or the Housing Authority to obtain from State Wage Information Collection Agencies (SWICAs) any information or materials necessary to complete or verify the application for participation or for eligibility for continued occupancy; and

2. A provision authorizing HUD or the Housing Authority to verify with previous or current employers income information pertinent to the family's eligibility for or level of assistance;

3. A provision authorizing HUD to request income information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits; and

4. A statement that the authorization to release the information requested by the consent form expires 15 months after the date the consent form is signed.

c. Owe rent or other amounts to the Housing Authority or to another public housing authority in connection with Section 8 or public housing assistance under the U.S. Housing Act of 1937.

d. Have failed to reimburse KCHA or another public housing authority for any claims paid to an Owner for:

i. Rent, damages to the unit, or other amounts owed by the Family to the Owner under the lease;

ii. Vacancy payments.

e. Have breached an agreement with the Housing Authority to pay amounts owed to a Housing Authority, or amounts paid to an Owner by a Housing Authority. (At its discretion, the Housing Authority may offer a Family an opportunity to enter an agreement to pay such amounts but the Housing Authority will prescribe the terms of such agreement).

f. Have engaged in abusive, violent or threatening behavior directed toward a Housing Authority staff member.

g. Have been evicted from a previous Project-based Housing Program in the previous 6 months.

h. Have previously been denied eligibility to a Housing Authority program, terminated from Section 8 for violation of any family obligations under the program (as defined in Section 23), or who have been previously evicted from public housing. Applicants meeting this criteria will be denied Section 8 housing assistance beginning on the date of such denial, eviction or termination according to the following minimum criteria:
   - Abusive or violent behavior towards a Housing Authority employee will be denied for 10 years.
   - Violent criminal activity (other than towards a Housing Authority employee) will be denied for five (5) years.
   - Persons convicted of manufacturing or producing methamphetamine in an assisted unit will be permanently banned.
   - Any other drug-related criminal activity occurring in the previous 3 years will be denied eligibility for five (5) years. Housing Authorities may waive this requirement if:
     - The person demonstrates successful completion of a rehabilitation program approved by the Housing Authority; or
     - The circumstances leading to the eviction no longer exist. For example, the individual involved in drugs is no longer in the household.
   - Fraud or misrepresentation of a housing program (e.g. unreported income, unreported live-in, knowingly permits another individual who is not eligible for assistance due to immigration status to reside in the unit, subleasing a unit, side payments, etc.) will be denied eligibility for five (5) years.
   - Serious damage to a previous housing unit beyond normal wear and tear will be denied eligibility for two (2) years.
   - Violations of the lease (other than those listed above) will be denied eligibility for one (1) year.
   - All other Section 8 terminations will not be denied eligibility.

i. Have been illegally using a controlled substance or have given the Housing Authority reasonable cause to believe that the family member's ***pattern*** of illegal use of a controlled substance may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. A waiver of this may be granted if the Family can demonstrate to KCHA's satisfaction that the family member is no longer engaging in illegal use of a controlled substance or abuse of alcohol and:

   i. Has successfully completed a supervised drug rehabilitation program;

   ii. Has otherwise been rehabilitated successfully; or

   iii. Is participating in a supervised drug rehabilitation program.

j. Have given the Housing Authority reasonable cause to believe that the family member abuses alcohol or has a ***pattern*** of abuse that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. A waiver of this may be granted if the Family can demonstrate to the Housing Authority's satisfaction that the family member is no longer engaging in illegal use of a controlled substance or abuse of alcohol and

   i. Has successfully completed a supervised alcohol rehabilitation program;

   ii. Has otherwise been rehabilitated successfully; or

   iii. Is participating in a supervised alcohol rehabilitation program.

k. Includes any member subject to a lifetime registration requirement under a State sex offender registration program. The family will be given the opportunity to remove the ineligible family member in order to preserve their eligibility. If the family is unwilling to remove that individual from the household, the participant will be denied admission to the program.

l. Have been convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing. Such families will be banned permanently from the Section 8 program.

   i. This provision does not apply for households participating in the VASH program.

m. Have a record of criminal activity by any family member, which would be judged by the Housing Authority to have an adverse effect on the health, safety, or welfare of other property residents or HA employees. The Housing Authority will deny admission to an applicant if a criminal background check reveals any family member has been convicted of a serious violent crime(s) including but not limited to:

   - Arson

- Assault
- Burglary
- Domestic Violence
- Fraud (theft of government services, forgery, identity theft, bribery)
- Hate Crimes
- Kidnapping/Unlawful imprisonment
- Manslaughter
- Murder
- Robbery
- Sexual Offences/Exploitation (rape, molestation, incest, indecent liberties)
- Terrorism/Treason (supporting, engaging or conspiring to commit)
- Unlawful Use/Possession of Weapons, Explosives or Firearms
- VUCSA (Violation of Uniform Controlled Substance Act) – possession/manufacturing/delivery

While this list is not all inclusive, it provides examples of the type of offenses that could result in denial of housing assistance. Comparable crimes, or a criminal record that indicates a family member exhibits habitual criminal behavior, will also result in denial of housing assistance. Denial will continue for a period of 12 months following release from incarceration, however, this timeline may differ if the offense occurred within a federally assisted unit (See Section l above).

While a criminal record will not automatically exclude an applicant from consideration, it is important criteria used in determining a person's eligibility. Prior to denying assistance, the Housing Authority will provide the applicant an opportunity to present any mitigating circumstances or information for consideration which would indicate the applicant could be eligible for the program.

Criminal history screening requirements beyond HUD baseline requirements shall not apply to the Housing Authority's housing initiatives where supportive services are directly connected to subsidies and where all contracted owners mandate criminal screening, prior to applicant approval. These programs include Project-based Transitional Housing; Project-based Permanent Supportive Housing; Project-based Replacement Housing, Scattered Site Supportive Housing for households with disabilities; Housing for Veterans on the VASH program; Scattered Site Family Supportive Housing; Homeless Youth Initiatives; Re-entry Initiatives; Deinstitutionalization Initiatives; and Terminal Illness set-asides.

n. Have a conflict of interest as defined in the ACC; HAP Contract and Section 1 of this Administrative Plan;

o. Have misrepresented any material fact during the application process. If the Authority determines after an applicant has been housed that such

misrepresentation has occurred, the Housing Authority will terminate the Family's housing assistance payment and, if applicable, charge retroactive rent. The participant will also have access to the Authority's Informal Hearing procedures.

p. Qualifies as a student enrolled in an institution of higher education as described in paragraph B below.

q. For VASH program participants the family may be terminated if the veteran is not participating in required case management without good cause, as determined by the Veteran's Administration (VA).

B. ELIGIBILITY OF STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION

The following rule does not apply to a student who is currently living with their parents already living in an assisted unit and receiving Section 8 assistance nor does it apply to a student living with parents who are applying for Section 8 assistance. For all others, in determining the eligibility of a student for Section 8 assistance, the HA must first determine whether or not the individual is:

1. Under the age of 24; and

2. Enrolled in an institution of higher education (See Section 2).

If the student meets the above criteria, then the HA needs to determine whether or not the student:

1. Is a veteran of the United States military; or

2. Is married; or

3. Has a dependent child.

4. Is a person with disabilities and was receiving Section 8 assistance as of November 30, 2005.

If the student does not meet any of the second set of criteria, then there is a two-part test that must be met in order for the student to be eligible for Section 8 assistance:

1. The student must be eligible for Section 8 assistance; AND

2. The student's parents, individually or jointly, must be eligible for Section 8 assistance; UNLESS the student can demonstrate his or her independence from their parents. (Parents eligibility only refers to "income" eligibility. Verification need only

consist of a self-declaration by the parents unless the HA believes the information to be untrue.)

If a student is attempting to prove their independence from their parents, the following criteria should be considered:

1. The student must be of legal contract age under State Law (age 18 or over or emancipated);
2. The student must be verified as an independent student. This may be done via two methods:

    a. The student meets the definition of independent student as defined in 20 U.S.C 1087vv(d) paragraphs (B), (C) or (H), whereby HUD considers the individual is a vulnerable youth and such determination is all that is necessary to prove independence or;
    b. Prove a student's independence from their parents by doing all of the following:
        i. Review and verify previous address information to determine evidence of a separate household or the individual meets the U.S. Department of Education's definition of an independent student (See Section 2);
        ii. Review the student's prior year income tax return. The student must not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations or the individual meets the U.S. Department of Education's definition of an independent student (See Section 2);
        iii. The student must obtain a certification of the amount of financial assistance that will be provided by the parents or legal guardian, signed by the individual providing support. Certification will still be required even if no financial assistance is being provided.

Any Family containing a student who is ineligible to receive assistance will not be eligible to receive assistance as long as that family member remains in the unit.

C. KCHA OPTION TO PROVIDE INFORMATION TO OWNERS ABOUT APPLICANT HOUSEHOLDS

The HA will give the Owner the household's current and prior address as shown in KCHA's records (if known) and the name and address of the landlord at the Family's current and any prior address. KCHA may also share information regarding income verifications and eligibility with Owners. KCHA will give the Family a description of its policy on providing information to Owners. KCHA will provide the same types of information to all Owners.

D. OWNER-DETERMINED TENANT SELECTION CRITERIA [57]

Project Owners may establish additional eligibility criteria and written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to perform the lease obligations. The Owner's screening may include income eligibility in order to comply with other regulatory set-asides such as in the Low Income Housing Tax Credit Program. The Owner's tenant selection plan and criteria will be reviewed by KCHA in the Owners Application. The Owner is responsible for ensuring that their eligibility criteria meet all Federal Fair Housing and Civil Rights laws.

1. During the term of the HAP contract, the Owner must lease Contract Units only to eligible families selected in accordance with KCHA policies.

2. An Owner must promptly notify KCHA in writing of any rejected applicant and the grounds for any rejection.

3. The Owner must ensure that the Contract Unit leased to each Family is appropriate for the size of the Family under KCHA's subsidy standards. At the time of full Recertification or update, the family will be notified in writing by KCHA if the unit size does not meet subsidy standards. The family will be required to transfer to the appropriate bedroom size at or near another contracted property when a unit becomes available or may choose to remain in the larger unit and pay the difference in rent. KCHA will work in conjunction with the owner to resolve the occupancy issue (See Exhibit P of the ACOP for KCHA managed Properties).

[57] Approved MTW Policy Sections V.5 and V.19

15: ACCOMMODATION OF PERSONS WITH DISABILITIES

In cases where KCHA is the landlord of the property, accommodations regarding specifics to the unit or lease will follow the policies outlined in Exhibit L of the ACOP.

A. REGULATORY BACKGROUND

King County Housing Authority (KCHA) complies with Title VI of the Civil Rights Act of 1964 and the Fair Housing Amendments Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1968), Executive Order 11063, Section 504 of the Rehabilitation Act of 1973, Titles II and III of the Americans with Disabilities Act, (as amended by the ADA Restoration Act), the Washington Law Against Discrimination, R.C.W. 49.60 et seq., and King County Code 12.20 et seq. KCHA will comply with any legislation, implementing rules and regulations, protecting the rights of applicants, participants or staff that may subsequently be enacted.

Although the above-cited anti-discrimination laws vary from each other in their wording, their prohibitions against discrimination are similar and well summarized by the following excerpts:

The Fair Housing Act regulations state: "It shall be unlawful for any person to refuse to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford a handicapped person equal opportunity to use and enjoy a dwelling unit, including public and common use areas."

Section 504 of the Rehabilitation Act of 1973 provides that "no otherwise qualified individual with handicaps in the United States… shall, solely by reason of his or her handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance."

Anti-discrimination laws require the Housing Authority to make reasonable accommodation in the rules, policies, practices or services in order to give a person with a disability an equal opportunity to apply for housing and to use and enjoy a dwelling unit or common space, unless doing so, would result in a fundamental alteration in the nature of the housing program, or poses an undue financial and/or administrative burden.

B. DEFINITION - PERSON WITH A DISABILITY (SEE DEFINITIONS SECTION 2)

The Federal definition of disability provides:

1. Has a physical or mental impairment that substantially limits one or more major life activities;

- A *physical impairment* that includes but is not limited to a physiological disorder, contagious disease, cosmetic disfigurement or anatomical loss in one or more systems. The disability could be neurological, musculoskeletal, respiratory, cardiovascular, digestive, reproductive, genito-urinary, hemic, lymphatic, skin or endocrine.

- A *mental impairment* or psychological disorder. The disability includes, but is not limited to, mental retardation, organic brain syndrome, emotional or mental illness, or specific learning disorders.

- Major life activities include, but are not limited to, caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, communicating and working.

2. Has a record of such impairment (which means the individual has a history of impairment or a record of having been misclassified as having impairment.)

3. Is regarded as having such an impairment, the individual has no impairment or has an impairment not limiting major life activity, but is treated as disabled by agency qualified medical, rehabilitation or other non-medical service agency professional.

Furthermore, the Washington State Law Against Discrimination (WLAD) defines disability to mean the presence of a sensory, mental, or physical impairment that

- Is medically cognizable or diagnosable, or

- Exists as a record or history, or

- Is perceived to exist, whether or not it exists in fact.

Under the WLAD, a disability exists whether it is temporary or permanent, common or uncommon, mitigated or unmitigated.

The definition of disability used may vary depending upon the request.

Note: Although some state and federal laws may use the terms “handicap” or “impairment”, the preferred term is “disability”.

C. RESTRICTIONS ON QUESTIONS ASKED OF PEOPLE WITH DISABILITIES

The Housing authority (HA) may ask all applicants questions that relate to their ability to meet the requirements of the Section 8 program. However, the HA cannot ask certain questions only of people with disability or people it believes may have a disability. As an example, the HA can only ask applicants if they currently use illegal drugs if it asks all

applicants the same question. The question cannot be asked only to people with disabilities or to individuals the HA believes has a disability.

The general rule is that the HA cannot ask a person with a disability about the nature or severity of a disability, or any question that would require the person to waive or disclose a medical condition or medical history. Nor can the HA ask whether any member of the applicant's family or any friend or associate has a disability. For example, the HA cannot ask any of the following questions:

"Have you ever been treated by a psychiatrist?"

"Have you ever been in drug or alcohol rehab?"

"Do you take medications?"

"Can you live independently?"

However, there are exceptions to this general rule:

- If during the screening process negative information is revealed about a person's past tenancies, the HA can ask the person to explain the negative information. The person may choose to reveal information about the existence, nature, or severity of their disability that helps to explain the presence of negative information. The applicant may also decide not to say anything about their disability. That is the person's right. The HA, however, has the right to review and respond to negative information on a case by case basis.

- If an applicant or participant requests the HA provide reasonable modifications or accommodations, the HA may ask the person to verify that they have a disability and the need for the requested accommodation.

- If an applicant is applying for housing that is designated for persons with disabilities, the HA may ask the person to document that they have a qualifying disability. Unless the person is applying for housing designated for individuals with a particular type of disability, the HA cannot inquire about the nature of a person's disability as long as the Housing Authority has sufficient information to determine eligibility according to the program's guidelines (a person is not obligated to reveal that they have a disability; however, a person who chooses not to reveal their disability would not be able to establish their eligibility.)

D. VERIFICATION OF DISABILITY

An applicant may not be required to give the HA their medical records as proof that they have a disability or a particular disability. A letter from the person's doctor or other qualified professional stating that they have a disability that satisfies the eligibility

requirement is sufficient documentation. It is not required that this documentation be completed by a physician. Other professionals, such as rehabilitation centers, service agencies, social workers or similar professionals familiar with the person's disability may be able to provide such verification.

E. CONFIDENTIALITY OF DISABILITY INFORMATION

All information that is obtained about a disability, such as medical information, must be kept confidential. The HA can only reveal this information to others with the applicant or participant's permission, or as necessary to provide reasonable accommodations.

F. VERIFICATION OF NEED FOR REASONABLE ACCOMMODATION

If a reasonable accommodation is requested, the HA may ask the applicant/participant to provide reliable documentation (not medical records) that they have a disability, along with documentation of the need for the particular accommodation. Verification of need may not be requested in every situation, especially in cases where the disability may be readily apparent to a HA representative. An example of where verification of need from a third party may not be needed is a request for a wheelchair accessible unit where it is readily apparent that the requesting individual uses a wheelchair. Generally, if the HA is unfamiliar with an applicant/participant or the person's need is not readily apparent, we may request verification of need. An applicant or participant may contact the Section 504 Coordinator to determine whether verification of need is required. The type of verification needed will depend upon the specifics of the situation. Finally, the HA will not ask any questions about the nature or severity of the disability except as specifically related to the requested accommodation.

G. GENERAL POLICY GUIDELINES ON REASONABLE ACCOMMODATIONS

The requirement to provide reasonable accommodation is intended to provide equal opportunity for persons with disabilities to participate in housing programs through modification of policies, procedures, or structures. This policy is not intended to provide greater program benefits to persons with disabilities than to non-disabled participants or applicants. It may mean, however, that persons with disabilities will sometimes be treated differently in order to ensure equal access to programs and services.

The HA is committed to providing accommodations to qualified persons with disabilities so that the choice of living arrangements is, as a whole, comparable to other persons eligible for housing assistance under the same program as long as the accommodation is reasonable (i.e., does not cause undue financial and/or administrative burden or cause a fundamental alteration in the nature of the program.) In seeking an accommodation, a qualifying applicant/resident may request a change in the HA's rules, policies, or procedures (e.g., how the HA communicates with a resident).

KCHA will work with an applicant/participant to make an accommodation that is reasonable and that suits their needs, giving priority to those methods that offer programs and activities in the most appropriate integrated setting. Individuals with the same disability may not need, or desire, the same level of accommodation. There is no standard approach and what works for one person may not work for another in the same situation.

Information regarding the availability of reasonable accommodations will be made available to applicants and participants at time of application, during initial housing and at the time of annual review. This type of information will also be provided at other times the HA deems appropriate, or at other times as requested by the applicant or participant.

Forms and other documents used for applicants and participants will, as much as feasible, be written in plain, intelligible language. Upon request, the HA will present documents in alternative formats, provide auxiliary aids, or communicate with a third party designated by the applicant or participant.

Reasonable accommodations will be made in response to individual requests from a qualified person with disabilities. The request may be made in any manner that is convenient for the person with a disability, including a verbal request to their Section 8 caseworker. When a verbal request is made by the participant, the housing staff member who receives the verbal request will send a letter summarizing the request to the participant within 14 days. HA staff can encourage participants to make the request using a form that the HA provides (KCHA 826) or use it as a guide in making the request. If the participant needs assistance making the request, the HA will assist in completing the form. Once completed and received at the Central Office (with verification, if needed), the HA will respond to the participant in most cases within 45 days, unless there is a problem verifying the information needed or unless the participant and the HA agree to a longer period of time.

H. EXAMPLES OF REASONABLE ACCOMMODATIONS

This list is not exhaustive or comprehensive, but is merely meant to illustrate examples of different accommodations that may be requested by individuals with disabilities.

Communications

To facilitate communication with persons with disabilities, KCHA will furnish auxiliary aids. An auxiliary aid means services or devices that enable persons with sensory, manual or speaking disabilities to have an equal opportunity to participate in, and to enjoy the benefits of programs and activities. However, the HA is not required to provide individually prescribed devices, readers for personal use or study, or other services of a personal nature. In determining what auxiliary aids are necessary, the HA will give primary consideration to the request(s) of the individual with disabilities.

Aids and services, to be equally effective, are not required to produce identical results for individuals with disabilities and non-disabled persons, but should afford individuals with disabilities equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement. Examples may include:

- Making arrangements to accept an application or conduct an interview elsewhere if the office is not accessible.
- Providing individual and/or additional explanation of program rules and requirements.
- Sending mail or making phone calls to a person designated by the individual with disabilities as a contact person.
- Offering information in accessible formats (e.g., large type) and in plain language.
- Providing pencil and paper for those with speech difficulties, a sign language interpreter or a reader, telecommunication device for the deaf (TTY), or Assistive Listening Device (ALD.)
- Providing visual alarms and tactile signs.
- Providing written information that gives the name, address and telephone number of the HA's Section 504 coordinator, as well as the TTY number.

General Accommodations

- Permitting an additional bedroom to accommodate a household member with a disability when the additional bedroom is documented to be medically necessary.
- Approving a higher utility allowance if documentation is provided showing why it is needed.
- Adding to the household a live-in aide who will reside in the unit and provide necessary support services.

I. GENERAL GUIDELINES FOR REVIEWING REASONABLE ACCOMMODATION REQUESTS

In most instances, the HA will accept the judgment of the person with disabilities that the requested accommodation is the most appropriate, but the HA will take into account the associated financial and/or administrative burdens. The HA may explore

alternatives to the requested accommodation where the alternative accommodation meets the individual's disability-related need.

If a number of potential accommodations will satisfy the needs of the person with disabilities (and are equally effective), the HA retains the right to select the accommodation that is most administratively convenient and cost-effective. This includes the option to select a change in procedure or policy rather than to make a structural change when the procedure changes would be equally effective.

If the requested accommodation creates an undue financial and/or administrative burden, the request will be accommodated to the extent that it can be met without creating undue burdens.

If the request constitutes a fundamental alteration in the nature of the program, the request will be denied. However, the HA may approve any action that would not result in a fundamental alteration but would nevertheless ensure that a person with disabilities has an equal opportunity to receive the program benefits and services. The HA's determinations with respect to fundamental alterations will be made on a case-by-case basis.

Types of actions which would be denied include, but are not limited to:

- Engaging in criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents or staff;
- Actions that require the HA to add supportive services (e.g. counseling, medical, or social services) that fall outside the scope of existing services offered by the HA to applicants/participants in the program;
- Actions that require the HA to offer housing or benefits of a fundamentally different nature from the type of housing or benefits that the HA does offer;
- Actions that substantially impair the HA's ability to meet program requirements.

J. GENERAL GUIDELINES FOR PROCESSING REASONABLE ACCOMMODATION REQUESTS

Once a Request for Reasonable Accommodation is received, the following guidelines will be used to evaluate the request:

Step 1: Is the disability documented or readily apparent?

- If the disability is not documented or readily apparent, the HA must obtain third party verification that the individual is a person with a disability.

- If necessary documentation is not provided or the disability is not otherwise verifiable, the HA is not obligated to make a reasonable accommodation and may deny the request. An applicant or participant will be advised of their right to provide additional information for reconsideration of their request.

Step 2: Is the requested accommodation related to the disability?

- If the RA is not related to the disability, the HA is not obligated to make the accommodation and may deny the request.

- If more information is needed to determine that the accommodation request is related to the disability, the applicant will be notified that additional information is needed.

Step 3: Is the requested accommodation reasonable?

- If the RA is reasonable, the HA will approve the request. A written description of the accommodation will be included in the approval letter.

- If more information is needed, the HA will notify the applicant/participant either verbally or in writing.

- If the RA is not reasonable, the HA may deny the request or offer an alternative accommodation. The denial will be made in writing.

- Applicants and participants who have been denied reasonable accommodations are entitled to pursue available grievance procedures, including an informal meeting and/or hearing with the Housing Authority.

K. DISAGREEMENT WITH TYPE OF ACCOMMODATION

Applicants/participants are encouraged to request an informal meeting with the HA if the applicant/participant does not agree with the outcome of their request. If they subsequently request a different accommodation because they believe that an incorrect accommodation was made, or that the accommodation that was made wasn't sufficient, the HA will decide whether to provide a different accommodation on the same basis using the same process/verification as was made on the initial accommodation.

The law does not set a limit on the number of accommodations the HA must provide. Every request for accommodation must be considered and provided if it does not fundamentally alter the nature of the housing program or result in an undue financial

and/or administrative burden. The HA may, however, require additional documentation that the person needs the requested accommodation and that it is likely to be effective.

L. REVIEW AND/OR DISCONTINUANCE OF REASONABLE ACCOMMODATION

KCHA will not unilaterally change or discontinue a particular method of providing a reasonable accommodation, without giving notice. A family may be required to re-verify their need for a reasonable accommodation at the time of their annual review if there has been a change in family composition or any other change that would affect the need for the accommodation. Notice of change or discontinuation of a reasonable accommodation will be given to the participant with disabilities, including the participant's right to appeal the decision to change or discontinue the accommodation.

M. SPECIFIC REASONABLE ACCOMMODATIONS

Listed below is a non-exclusive list of requests where the HA has determined there may be reason to grant an accommodation to make the program accessible to and usable by a family member with a disability provided proper documentation is received. Reasonable accommodation may be granted in cases where:

1. The applicant family fails to respond to the check-in letter because of the family members disability and their application is canceled from the waiting list. If the family can show how the disability prevented them from checking in, the application will be reinstated in its former position on the waiting list.

2. An additional bedroom has been granted to accommodate a household member with a disability when the additional bedroom is documented to be medically necessary. KCHA will verify use of the extra bedroom for the documented purpose at each annual inspection.

3. The family requests an EAS amount which is higher than the applicable amount on the EAS schedule, provided documentation is presented to show why an increase is needed. This increased amount will be determined by taking the families most recent three month average of actual utility bill amounts rather than from the HA EAS schedule. In no case will the EAS be less than that on the approved EAS schedules.

4. The family requests a live-in aide reside in their unit to provide necessary support services.

    a. A family that consists of one or more elderly, near-elderly, or disabled persons may request a live-in aide reside in the unit to provide necessary support services. The request must be approved by the HA to make the program accessible to and usable by a family member with a disability.

b. The HA may refuse to approve a particular person as a live-in aide, or withdraw such approval if:

   i. The person commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program;

   ii. The person commits drug-related criminal activity or violent criminal activity; or

   iii. The person currently owes rent or other amounts to the HA or another HA in connection with the Section 8 or Public Housing program.

c. While a relative is not prohibited from serving as a live-in aide (and thus having their income excluded), they must prove that:

   i. They are essential to the care and will-being of the family member (for a person with disabilities or a person who is at least 55 years of age) and not obligated for their support; and

   ii. They must be one who would not be living in the unit except to provide the necessary supportive services.

d. The identity (name) of the live-in aide must be presented to the HA prior to execution of the lease.

e. Occasional, intermittent, multiple or rotating care givers do not reside in the unit and would not qualify as living in the unit. Therefore, an additional bedroom will not be approved under these circumstances (HUD Notice 2009-22).

Removal of a live-in aide from the unit must be reported to the HA within 30 days of its occurrence. The family will be given 180 days from the date the live-in aide left the unit to move in a replacement. Time limit extensions may be granted on a case-by-case basis through the reasonable accommodation process. A family failing to move-in a replacement live-in aide by the end of 180 days (or extension) will have their voucher size reduced to the appropriate size for the remaining family members.

5. The family requests to terminate their lease prior to the end of the initial term and the owner agrees. Generally, a family and owner shall not be allowed to mutually terminate the lease during the first year of the lease and the family shall be restricted to no more than one move during any one year period.

16: SUBSIDY STANDARDS

The following subsidy standards will be used for all Project-based units except KCHA managed properties. In those cases, please refer to the ACOP Occupancy Standards (Section 3) and Transfer Policy (Exhibit G).

A. MINIMUM HOUSING STANDARDS

In determining the proper bedroom size for each Family, the following principles apply:

1. The subsidy standards must be applied consistently for all families of like size and composition.

2. The subsidy standards must be in compliance with applicable State and local law.

   These general principles result in the following subsidy standards: (See paragraph F for possible exceptions to these standards.)

Number of Bedrooms	Number of persons	
	Minimum	Maximum
1	1	3
2	2	5
3	3	7
4	5	9
5	7	11

B. GENERAL HOUSING PRINCIPLES

1. No more than two (2) persons shall be required to occupy a bedroom. At the choice of the participant, family size may exceed the 2 people per bedroom limit by one (1) in order to obtain or retain housing (i.e., family of five (5) may rent a 2-bedroom unit).[58]

[58] Approved under MTW 4/5/2004

2. Persons of the opposite sex, other than husband and wife, shall not be required to share a bedroom. Two (2) unrelated, unmarried adult individuals who have indicated a current, regular relationship with each other and who have been determined eligible as a Family shall be treated the same as husband and wife and assigned to one bedroom.

3. Persons of different generations shall not be required to share a bedroom. As an example, a grandmother shall not be required to share a bedroom with her children or her grandchildren.

4. Children:

   a. Children of the same sex shall share a bedroom.

   b. Children of the opposite sex, with the exception of those under the age of four (4), shall not be required to share a bedroom. At the option of the Family, children of the opposite sex past the age of four (4) years may share the same bedroom or living/sleeping room for continued occupancy.

   c. Included in determining the bedroom size are the following:

      i. All children anticipated to reside regularly in a dwelling unit. Examples include children expected to be born to pregnant women, children who are in the process of being adopted by an adult, or children whose custody is being obtained by an adult.

      ii. Children who are away at school, but who will live with the Family during breaks.

      iii. Children who are *temporarily* absent from the home due to placement in foster care.

      iv. Foster children.

5. Two (2) or more single Elderly persons or persons with a disability residing in the same dwelling unit shall be assigned to a unit so that each has a separate bedroom, or so that the bedrooms may be occupied by two (2) persons, at the option of the Family.

6. A live-in aide who is not a member of the Family shall not be required to share a bedroom with another unrelated member of the household. A live-in aide's family members may reside in the unit provided doing so:

   a. Does not require a larger bedroom size unit; and

   b. The presence of the live-in aide’s family does not overcrowd the unit.

7. Dwelling units shall be assigned so as not to require use of the living room for sleeping purposes, with the exception of zero-bedroom units.

8. Space will not be provided for a family member who will be absent most of the time, such as a member who is away in the military.

C. OWNER SUBSIDY STANDARDS

KCHA will permit Owners to enforce subsidy standards different than those listed above when the Owner can certify that these standards are in line with landlord-tenant law.

D. INAPPROPRIATE UNIT SIZE OR ACCESSIBLE UNITS

As a general rule, KCHA's policies attempt to limit moving families between Project-based units. If a move is required, it will occur at the greater of 3 months from the date of change or the families next update or full recertification, whichever comes first. Any move shall first be approved by the landlord. KCHA may allow moves to occur upon the Family's annual review in the following cases:

1. **When the Dwelling unit is too small for the household**[59]

   At the time the family member is added to the household, where the size of the dwelling unit is now too small for a participant family in accordance with the above standards, the Family will be allowed the following options:

   a. If there is an appropriate sized Contract Unit within the same housing development available, the Family may transfer their assistance upon notification to the Housing Authority.

   b. If the appropriate bedroom size unit is not available under contract, but is available in the development, KCHA may determine a reasonable and comparable rent for the unit and change the size of that one contract unit temporarily to accommodate the Family. When that Family moves out, the Contract will usually revert to the original bedroom-size units under Contract, however, on a case-by-case basis may remain the current bedroom size if needed for a specific case.

   c. If the appropriate bedroom size is not available but is under the HAP contract, KCHA will allow the Family to remain in the unit with written approval from the landlord until an appropriate-sized unit becomes available.

[59] Approved MTW Policy Section V.21

d. If the appropriate bedroom size is not under the HAP Contract, KCHA will allow the Family to remain in the unit as long as they have approval from the landlord and are not jeopardizing their health and safety as determined by KCHA.

e. If KCHA or the landlord does not allow a Family to remain in a unit too small for the Family, the KCHA transfer policy applies in the case of non-supportive housing. In the case of supportive housing, a determination will be made by both the Housing Authority and the social service agency working with the Family.

2. **The Dwelling Unit is too large for the household[60]**

At the time of the next full recertification, where it is determined that the size of the dwelling unit is too large for a participant Family in accordance with the above standards, the Family will be allowed the following options:

a. The Family may choose to remain in the larger unit and pay the difference in rent.

b. If the appropriate size Contract Unit within the same housing development is available, the Family may transfer to the smaller unit upon notification by the landlord that the unit is ready for occupancy.

c. If the appropriate bedroom size is not under the HAP contract, but is available in the development, the Family will be given the option to move. KCHA will determine a reasonable and comparable contract rent for the smaller size unit and temporarily amend the contract to include the unit of the smaller size. When the Family finally moves from the apartment complex, the contract will revert back to the original allocation of bedroom sizes, however, on a case-by-case basis may remain the current bedroom size if needed for a specific case.

d. If no unit in the development is the appropriate size, KCHA's transfer policy will be implemented in the case of non-supportive housing. In the case of supportive housing, KCHA shall make a determination as to the best option in collaboration with the service agency supporting the tenant.

e. Families opting to move will continue to have their rent calculated using the higher payment standard until such time that a unit is available. Failure to move, without good cause (see transfer policy-Exhibit G) when a unit becomes available will require recalculation of rent using the lower payment standard and repayment of any amounts overpaid by the HA during the waiting period.

3. **Accessible Units**

If, at the time of initial leasing, no other appropriately-sized Contract Unit is available for a non-disabled Household, and an accessible unit is available with the

[60] Approved MTW 5/20/2009

bedroom size that the Family requires, the Household may elect to move into the accessible unit as long as they acknowledge that, upon the Owner's notification, the Household will move, at their own expense, to another suitably sized vacant Contract Unit in the project. The Household further acknowledges that the rent may change when they move to the new unit. If the Household fails to move and return possession of the accessible unit within an agreed time period, the subsidy will cease and the Family will be terminated from the Project-based program.

E. GRANTING OF EXCEPTIONS TO UNIT SIZE STANDARDS

The criteria and standards prescribed for the determination of any applicant's unit size should apply to the vast majority of families. Unique situations, including a request for a reasonable accommodation, may warrant the assignment of a different size unit than stated in KCHA's subsidy standards. As an example, a Family may need an exception to the subsidy standards for a unit that is large enough to accommodate a member of the Family or a person associated with that Household who has a physical or mental disability or where State, local or Federal law requires. Such exceptions must be fully verified and documented in the Applicant or Tenant's file.

KCHA will notify an Applicant/Participant that exceptions to the standards may be granted and of the circumstances in which the granting of an exception will be considered.

17: VERIFICATIONS

A. VERIFICATIONS

In order to carry out the HA's responsibility to ensure that income information provided is complete and accurate and to verify that eligibility, preference, and rental payment determinations have been made properly, all factors affecting eligibility and tenant payment must be verified. This requirement is a condition of admission to, or continued occupancy of, any assisted housing unit. Failure to provide the required verification within the stated time limits will be considered sufficient grounds for canceling an application or termination of a Family's assistance. Age and relationship will only be verified in those instances where needed to make a determination of level of assistance.

To facilitate the obtaining of verification of information as may be deemed necessary by KCHA, the Head of Household and any other member of the Family 18 or older will be required to sign a Release of Information ("Authorization") form at the time of application, selection for housing, and each Annual Recertification. Refusal to sign the "Authorization" form will be sufficient cause to declare an applicant ineligible or terminate the assistance and/or tenancy of a participant Family.

In situations where an applicant or participant Family reports income that appears to be less than adequate for the Family's needs, or if the Family appears to be eligible for income that is not reported (i.e., public assistance, unemployment compensation, child support, etc.), the absence of such income must be verified by the Family.

The HA may reject any tenant-provided documentation for the following HUD-approved reasons:

1. The document is not an original; or

2. The original document has been altered, mutilated, or is not legible; or

3. The document appears to be a forged document.

The HA will explain to the tenant the reason(s) the submitted documents are not acceptable and request the tenant to provide additional documentation. If at any time the tenant is unable to provide acceptable documentation, the HA will submit a traditional third party verification form to the third party source for completion.

B. EFFECTIVE TERM OF VERIFICATIONS

For initial housings, recertifications and interim recalculations, all verification will be considered valid if dated by the third party no later than 180 days prior to the effective date of the action, unless a change in income and/or other information is reported or believed to have occurred within the 180 day period.[61] If the Family's source or amount of income changes between the date reported and the initial date of housing or full recertification, verification of the change will be required.

For interim reviews, all factors that have changed since the last review must be reverified and updated. Reverification of factors that have not changed is not required, even if the documentation is more than 180 days old[62].

However, in any case listed above, if there is reason to believe the verification is no longer valid, updated verification will be required.

C. METHODS OF VERIFICATION

1. **Up-Front Income Verification through a HUD system**

   The verification of income before or during a family reexamination, through a HUD system (i.e., EIV) that systematically and uniformly maintains income information in computerized form for a number of individuals.

2. **Up-Front Income Verification through a Non-HUD system**

   The verification of income before or during a family reexamination, through a Non-HUD system (i.e., Employment Security) that systematically and uniformly maintains income information in computerized form for a number of individuals.

3. **Written Third Party**

   An original or authentic document generated by a third party source dated either within the 180-day period preceding the reexamination or HA request date. Such documents may be in the possession of the tenant (or applicant), and are commonly referred to as tenant-provided documents. Examples include but are not limited to: pay stubs, payroll summary report, employer notice/letter of hire/termination, SSA benefit verification letter, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment

[61] Approved under MTW 8/18/2008
[62] Approved under MTW 8/18/08

monetary benefit notices. Two current and consecutive pay stubs are required when determining income from wages.

4. **Written Third Party Verification Form**

A standardized form to collect information from a third party source. The form is completed by the third party by hand (in writing or typing). Usually HA's, send the form directly to the third party source by mail, fax, or email.

5. **Third Party Oral**

Independent verification of information by contacting the individual income/expense source(s), as identified through the UIV technique or identified by the family, via telephone or in-person visit. Documentation of the contact including the date and time of the telephone call (or visit to the third party), the name of the person contacted and telephone number, along with the confirmed information should be placed in the tenants file.

6. **Non-Third Party Documentation**

Tenant Declaration – The tenant submits an affidavit or notarized statement of reported income and/or expenses to the HA. This verification method should be used as a last resort when the HA has been unsuccessful in obtaining information via all other verification techniques. Documentation must be included in the tenant file as to why other forms were not available. This form of verification cannot be used for the convenience of the applicant/participant *nor* in a situation where an applicant/participant claims to be unable to remember necessary information.

D. ENTERPRISE INCOME VERIFICATION (EIV)

HUD's Enterprise Income Verification (EIV) system will be used when possible to verify tenant income in the following manner:

1. For each **new admission**, the HA is required to print/review the EIV income report within 120 days of the PIC submission to confirm income reported by the family and resolve any income discrepancy (see below) with the family within 60 days of the EIV income report date;

2. For each **interim reexamination** of family income and composition, the HA is required to have the following documentation in the file:

    a. The Individual Control Number (ICN) page when there is no discrepancy in listed income, or

b. The EIV income report plus appropriate third party documentation when there is a discrepancy in listed income.

3. For each **full recertification** of family income and composition, the HA is required to have the following documentation in the file:

   a. **No dispute of EIV information**: EIV income report, current acceptable tenant-provided documentation, and *if necessary,* traditional third party verification.

   b. **Disputed EIV information**: EIV income report, current acceptable tenant-provided documentation, and traditional third party documentation.

   c. **Tenant-reported income not verifiable through EIV**: Current tenant-provided documents and traditional third party documentation.

E. DISPUTED, UNREPORTED OR SUBSTANTIAL DIFFERENCES IN INCOME

If the EIV report reveals an income source that was not reported by the tenant or there is a substantial difference between the tenant-provided information and the information obtained using EIV ($200 or more per month or $2400 annually), the HA is required to take the following action:

1. Discuss the income discrepancy with the tenant; and

2. Request the tenant to provide any documentation to confirm or dispute amount; and

3. In the event the tenant is unable to provide acceptable documentation to resolve the income discrepancy, the HA is required to request from the third party source, any information necessary to resolve the income discrepancy; and

4. For KCHA managed properties if an income discrepancy is found, the HA shall determine if it was intentional or due to administrative error and shall pursue appropriate legal action if necessary; and

5. Determine the tenant's underpayment of rent; and

6. Make any adjustments retroactively, if applicable;

7. Create a repayment agreement for the balance owed by the resident following procedures outlined in Section 20.

F. SPECIFIC FORMS OF VERIFICATION

For more specific guidelines on verification requirements for income, assets, family composition, preferences, Social Security numbers, Immigration status, etc., see Exhibit E.

G. EXCEPTIONS TO VERIFICATION PROCEDURES

1. In cases where the most recent income and family composition information supplied by the tenant result in the tenant being responsible for the entire rent amount requested by the landlord, no further income verification will be required.[63] Any subsequent reduction in income resulting in the resumption of a Housing assistance payment, will fall under the normal verification guidelines.

2. **Public Housing Unit Conversion** – For former Public Housing units converting to Project-based, at the time of initial conversion, KCHA may use income and family composition verification used for the most recent review (interim, update, or full recertification) provided it is no more than 12 months old.[64]

[63] Approved under MTW 10/9/03
[64] Approved under MTW 4/11/12

18: PARTICIPANT BRIEFING

A. BRIEFING OF PARTICIPANTS

When a Family accepts an offer of a Project-based unit, the Family must receive an oral briefing to learn their responsibilities and rights under the program, as well as the responsibilities of the Owner. Briefings may be given individually or in groups, in person or by phone, depending on the circumstances surrounding the housing. Applicants needing to reschedule their briefing date due to extraordinary circumstances must notify KCHA in advance. However, if an Owner feels that the time needed to reschedule and conduct a rescheduled briefing is excessive and the Owner is not willing to wait for the applicant to participate in a briefing, the Owner may choose to disqualify the applicant after one missed briefing.

B. WHEN A BRIEFING IS CONDUCTED BY NON-KCHA STAFF

At KCHA's discretion, and based generally upon the size and location of the program, an Owner may be permitted to conduct briefings for the Owner's project. The Owner must assign a specific representative to conduct the briefings. The Owner's representative must complete a training conducted by KCHA regarding the information in this section and any additional documentation needed at the time of the briefing.[65]

Each briefing conducted by an Owner's representative must be reported to KCHA upon completion. The report must include the name and signature of the person who conducted the briefing. Section 8 will monitor owner-conducted briefings at least once annually.

C. BRIEFING TOPICS

All briefings will cover the following areas:

1. A description of how the program works including the fact that there is no continuing Section 8 assistance if the Family moves from the Project-based unit and that the Owner must sign an initial year lease changing to a month-to-month status following the first year;

2. Statement of Family Responsibilities;

3. In briefing a Family that includes any person with disabilities, KCHA will take appropriate steps to ensure effective communication in accordance with federal

[65] Approved MTW Policy Section V.23

requirements or the Family may designate a representative to receive this information;

4. The housing quality standards procedures for Family and Owner inspections;

5. Information on significant aspects of Federal, State and local Fair Housing laws and how they affect their participation in the Project-based Assistance program;

6. KCHA's informal review and hearing procedures for applicants and participants;

7. HUD and HA required forms, including the fact that the Family may obtain copies of the HQS and other pertinent forms or documents on request;

8. KCHA subsidy standards, circumstances regarding inappropriate unit size, unit size information (including exceptions);

9. Information on Terminations of tenancy and Landlord requirements to terminate tenancy for cause;

10. Information on Penalties for perjury, misrepresentation, fraud in the application.

D. BRIEFING AND TENANCY INFORMATION PACKET

KCHA will ensure that every new Participant receives an information packet. This can be given to them at their briefing, faxed to them, or in the case of Transitional Housing, delivered to them by their Landlord. The packet will include information on the following:

1. The Statement of Family Responsibilities Form (827PB); including the grounds on which KCHA may terminate assistance for a Participant Family because of Family action or failure to act;

2. How KCHA determines the Family's portion of the rent, the housing assistance payment, the payment standard and KCHA EAS table;

3. The applicable Project-based "lease addendum" (H52530C and 830PB);

4. HA subsidy standards, including when KCHA will consider granting exceptions to the standards;

5. The HUD lead-based paint (LBD) brochure (Most current year);

6. Information on Federal, State and local Fair Housing laws, and a copy of the housing discrimination complaint form (HUD Form 903);

7. A statement of what information KCHA will provide to the Owner regarding current and past tenant rental information;

8. HA informal hearing procedures. This information will describe when KCHA is required to give a participant Family the opportunity for an informal hearing:

9. HA requirements for reporting changes affecting income or family composition and the form to complete in the case of changes.

10. Rent program rules (WIN & EASY)

11. Tenant rights under VAWA-Domestic Violence (H5380)

E. SPECIAL CIRCUMSTANCES

Applicants unable to attend a briefing due to a disability may request a reasonable accommodation such as having the briefing presented at an alternative location. If the head of household or spouse is a disabled person, KCHA will take appropriate steps to assure effective communication in conducting the briefing and in providing the written information packet, including in alternative formats.

KCHA will take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with the obligations contained in the Title VI of the Civil Rights Act of 1964 and Executive Order 13166.

19: HOUSING QUALITY STANDARDS AND INSPECTIONS[66]

A. THE HOUSING QUALITY INSPECTION

All units will be inspected prior to initial leasing to determine that the unit is in compliance with minimum Housing Quality Standards (HQS). A unit's subsidy will not begin or continue until the unit has passed its HQS Inspection.

As the purpose of these inspections is to determine the livability of each unit according to the Standards set by HUD, the inspections will pass judgments only on housing conditions that are visible. Hazards which are within wall systems, or which require testing to detect (other than Lead-based paint), are beyond the scope of an HQS inspection. By participating in this inspection, the inspector is expressing an opinion only regarding the quality and condition of the matters reported upon and nothing contained in the inspection report shall be considered as a representation of any fact or as a warranty by it as to quality or condition. The Family and Owner will be required to sign a Lease Addendum acknowledging the purpose and limitations of the HQS inspection. Inspections may be conducted in-person or virtually at the discretion of the HA and with the consent of the owner and tenant.

The inspections are based upon the information contained in the Housing Inspection Manual, 24 CFR Part 982.401, and the MTW Agreement as guides in explaining and interpreting Housing Quality Standards. A qualified HQS Inspector will perform all annual inspections. KCHA-qualified owners' representatives will perform some inspections as detailed below. In addition, the inspection will be governed by State and local law and local fire codes concerning identification of units and operation and placement of smoke detectors.

1. **Initial Inspection**
   a. Prior to proposal selection, the site will be examined to determine if the units substantially comply with KCHA's inspection standards. Units qualifying as "Existing" must meet HQS within 180 days of selection
   b. KCHA will inspect developments under application at the time of contract execution. Each unit must pass the inspection prior to signing of the contract and occupancy of the unit. For former Public Housing and other KCHA owned units converting to Project-based, KCHA may substitute the most recent passed unit inspection in lieu of performing a new inspection provided the unit inspection is no more than 12 months old.[67]

2. **Recertification Inspections**

[66] MTW Activity 2004-2
[67] Approved MTW Policy 4-11-12

KCHA has established Annual and Biennial Inspection schedules that consider the type and condition of the unit to ensure compliance with HQS and related HUD and KCHA regulation and policies. Inspections (Annual and Biennial) will be scheduled 60 to 120 days in advance of the next scheduled inspection due date to help ensure units are inspected no less than once every 12 or 24 months as detailed below. Units will be considered in compliance with HQS requirements if the inspection is passed prior to the annual or biennial inspection due date [68]

a. **Annual Inspections**

Following the initial inspection, Annual inspections will be completed for all (1) Single Family units and (2) units located within developments that do not qualify for the Biennial Inspection schedule outlined in 2(b) below. This Annual inspection cycle will not be tied to the anniversary of the move-in date. The first Annual inspection following the initial inspection will occur no less than 8 months from the initial move-in date and no more than 20 months from the initial move-in date. All subsequent inspections will occur within 12 months of last inspection. [69]

b. **Biennial Inspections**

Following initial inspection, units located in multi-family developments meeting the following standards will be inspected using a Biennial (at least once every 24 month) cycle:

i. The unit is located in a development that meets KCHA's initial inspection rating of average or higher.

ii. The HA does not have a record of outstanding residential/building code violations for the site and the site does not have a history of repeated residential/building code non-compliance;

iii. The owner and/or tenant do not have a history of HQS non-compliance that has resulted in the need for rent abatement or termination of program participation;

iv. The HA does not have a record of substantiated community or tenant complaints regarding the owner/landlord's failure to properly maintain units in accordance with established Housing Quality Standards.

The Biennial inspection cycle will not be tied to the anniversary of the move-in. Rather, units within the development will be divided into to two groups based on the month housed. Units housed in even numbered months will be inspected in even numbered years and those housed during odd numbered months inspected in odd numbered years. Using this schedule, some inspections will be completed within the first 12

[68] Approved under MTW 10/9/03
[69] Approved under MTW 8/14/06

months of initial occupancy in order to properly align future inspections with the appropriate biennial inspection schedule. [70]

Developments that fall out of compliance with the standards listed above will be designated as ineligible to have units inspected under the HA's streamlined Biennial inspection process. During this period, all units in the development will revert to the Annual inspection schedule outlined in section 2(a) above.

3. **Special Inspections**

At the request of the Owner, tenant, or other interested party, the HA will perform special inspections.

4. **Reinspection**

The HA will conduct reinspections only on units that failed as a result of major failures An extensive list of minor and major fail items will be kept by the HQS Inspection Coordinator and will be reviewed periodically with the inspection team for possible revisions (See Exhibit O). The list may be updated without approval by the Board of Directors

B. CORRECTION OF FAILED ITEMS

If any "fail" items are discovered, the HA will contact the Owner regarding the HQS violations. Once notified, the Owner has two options:

1. They may correct all failed items on their own, regardless of who actually caused the damage; or

2. They may make a determination which failed items are caused by the tenant and require the tenant to make the repairs. If this option is chosen, the Owner must notify both the Housing Authority and the tenant explaining which items the tenant will be responsible for and when the repairs must be made.

For failed items requiring reinspection, the Housing Authority will give the Owner a reasonable amount of time to correct the deficiencies. If the violation is considered life threatening, the repairs must be made within no more than 24 hours from notification (Examples include: No hot or cold water, no electricity, major plumbing or natural gas leak, exposed electrical wiring, etc.). All other repairs must be corrected within no more than 30 calendar days (or any HA-approved extension).

If the repairs have not been made by the required date, the HA will determine who is responsible for the repair of each item not corrected. Failure by the Owner to correct the

[70] Approved under MTW 1/29/15

"owner" caused fail items within the time frame will result in abatement of the HAP until the corrections are made. Should the abatement continue for 30 days, the HA may place further restrictions on the Owner. Failure by the Family to correct the "tenant" caused fail items within the time frame allowed will result in termination of assistance. The HA will not hold the Owner responsible for a breach of the HQS determined to be caused by the Family.

C. LEAD-BASED PAINT

The Housing Authority has established procedures to eliminate, as far as practical, lead-based paint hazards in housing occupied by participants receiving Project-based assistance. The following Lead-based paint procedures apply to all Project-based units built prior to 1978 in the following manner:

1. **Multifamily properties**. (24 CFR 35.715)

   For these properties, owners will be required to complete a Lead-based paint risk assessment prior to signing a Project-based contract with the HA. The risk assessment must be performed by a state-approved Risk Assessor. After completion of the risk assessment, the Owner shall incorporate ongoing lead-based paint maintenance and reevaluation into the regular building operations unless all lead-based paint has been removed.

2. **Single-family properties**. (24 CFR 35.720)

   For these properties, owners are not required to complete a Lead-based paint risk assessment prior to signing a Project-based contract. However, the Tenant-based Lead-based paint regulations will be applied to all units (built prior to 1978) regardless of the age of the Family members.

The HA will abide by 24 CFR part 35 for inspection and treatment of affected Lead-based paint surfaces (See Exhibit M). This includes communication with the local health department regarding children with elevated blood lead levels.

D. HOUSING QUALITY STANDARD UPGRADES

In association with HUD and through the HA MTW agreement, the following upgrades have been made to the minimum Housing Quality Standards:

1. The drain line attached to the pressure relief valve on all hot water heaters must extend to within at least 6 inches off the floor.

2. All units must have unit numbers located on the unit and visible from the street (per King County Fire Code).

3. Window locks must by permanently attached to the window or window frame. Sticks are no longer a substitute for a locking device.

4. In addition to published requirements, all rooms to be considered a *bedroom* (unless the room was originally designed and intended for use as a bedroom) must:

    a. have a window in an exterior wall;

    b. have four permanent walls (no curtains or freestanding dividers);

    c. have an entry way which can be closed for privacy (doors preferred but not required);

    d. have an acceptable permanent heat source with the room, except when a heat source, which is completely adequate for both rooms, is adjacent to this room;

    e. be at least seventy (70) square feet (per WSC);

    f. not be used for any other purpose other than sleeping (i.e. laundry room, bathroom, etc.).

5. In addition to published requirements, all rooms to be considered a living/sleeping room, must:

    a. have a window in an exterior wall;

    b. have at least three permanent walls;

    c. have an acceptable permanent heat source with the room, except when a heat source, which is completely adequate for both rooms, is adjacent to this room;

    d. *not* be one of the following rooms: kitchen, bathroom, living room, dining room, or garage/attached shed;

    e. be limited to only one per unit.

6. Units rented under the Project-based program must be for the exclusive use of the members of the family listed on the lease and their belongings. Use of any portion of the unit for storage or other use by someone other than the family is prohibited. Detached units such as a shed or garage are exempt from this rule if the family does not have access to the unit and will not be responsible for any utility cost associated with the detached unit.

7. Per state law RCW 19.27.530 all owners of non-owner occupied dwelling units will be required to install and maintain carbon monoxide alarms outside each sleeping area with at least one on each level of the residence. Installation must be in accordance with code and manufacturer's instructions.

E. HQS ALLOWANCES SPECIFIC TO PROJECT-BASED

1. Transitional housing inspections

KCHA will allow contracted owners to designate a representative to perform initial inspections for Supportive Housing targeted for the Homeless upon unit turnover and when the tenant moves within a development. Only the person trained by KCHA's Section 8 HQS Inspection Coordinator is permitted to conduct and sign-off that these inspections have passed. This owner's representative will certify that all such units have been inspected and meet the required housing quality standards. KCHA will continue to conduct annual inspections of all units. All HQS guidelines and HA upgrades will apply. Copies of all inspections performed must be submitted to the HA for review.

2. KCHA Managed Properties

KCHA managed properties will be inspected by Housing Authority staff or staff appointed by the Housing Authority.

3. All Other Project-Based Units

For all units other than those listed above, a Section 8 HQS Inspector will conduct all initial and turnover inspections.

4. Shared Housing and group homes

In shared family/group housing units with Project-based subsidies, the following additions apply to the HQS:

a. At initial occupancy or upon turnover of the entire unit a full HQS inspection will be conducted by the Housing Authority.

   i. Initial inspections will not be conducted when turnover occurs for less than the entire unit.

   ii. Annual inspections will be conducted by the Housing Authority in accordance with paragraph A of this Section for the entire unit.

b. The entire unit must provide adequate space and security for all residents (whether assisted or not);

c. Each unit must contain private space for each assisted family, plus common space for shared use by the residents of the unit;

d. The private space for each assisted family must contain at least one bedroom for each two persons in the Family;

e. A zero or one-bedroom unit may not be used as a group home or for shared housing.

f. A group home must contain a living room, dining area, kitchen, minimum of one bathroom for every four persons, one sleeping room of appropriate size for every two persons, and other appropriate social or recreational community space.

g. A cooking stove or range and a refrigerator(s) of appropriate size in sufficient quantity for the number of occupants shall be present. The stove and refrigerator must be included with the unit and may not be provided by the tenant(s).

h. A group home that accommodates physically disabled occupants with wheelchairs or other special equipment shall provide access to all sanitary facilities and shall provide, as appropriate, basins and toilets of appropriate height, grab bars to toilets, showers and/or tubs; shower seats; and adequate space for movement. The unit shall be free of architectural barriers which impede access or use, and handrails and ramps shall be provided, as appropriate.

i. An emergency exit plan shall be developed and explained to the occupants. Regular fire inspections shall be conducted by appropriate local officials. First aid supplies and fire extinguishers shall be readily accessible throughout the group home. Smoke and carbon monoxide detectors shall be provided and emergency phone numbers shall be available at each phone and provided to each occupant. All emergency and safety procedures shall meet applicable State and local standards.

j. The group home shall be located in a residential setting similar in size and appearance to housing generally found in the neighborhood. The unit shall be within walking distance or accessible via transportation to medical and other appropriate commercial and community service facilities.

k. In determining whether a group home resembles housing in the neighborhood, consideration shall be given as to whether the group home is residential in appearance, the number of people housed, or its method of providing services.

F. INFESTATION

When there is evidence of infestation, but it is not possible to determine the extent of infestation, the property must be inspected by a qualified extermination firm and, if necessary, treated for the infestation.

G. RECORD KEEPING

A report of every unit inspection and reinspection will be maintained in the Family's file according to KCHA's record retention policies and will reflect:

1. Any defects or deficiencies in the unit that need correcting to meet HQS; and

2. Other defects or deficiencies observed by the HA inspector (for use if the Owner later claims that the defects or deficiencies were caused by the Family).

Neither 24 CFR Part 982 nor anything in this Section creates any right of the Family, or any party other than HUD or the HA, to require enforcement of the HQS requirements by HUD or the HA, or assert any claim against HUD or the HA, for damages, injunction or other relief, for alleged failure to enforce the HQS.

H. MONITORING (THIS SECTION DOES NOT APPLY TO KCHA MANAGED PROPERTIES)

To promote consistency in inspections, a supervisor (or designee) will randomly reinspect a sampling of the HQS inspections. The minimum number of files and/or inspections checked shall be checked using the following formula: For HQS inspections and HQS enforcement – 30 files for the first 2000 units under contract plus 1 for each additional 200. If any "fail" items are discovered at these monitoring inspections, the following will occur:[71]

1. The Owner and tenant will be contacted by mail to ensure that the corrections are made. Items which violate HQS will be treated in the same manner as described in paragraph B of this section.

2. The inspections will be regularly analyzed to determine if any patterns of errors occur. Information derived from this analysis will then be used in the HA's on-going HQS Training Program.

In addition, the HA will monitor at least an additional 5% of the units that qualified for self-certification as a result of minor fail items. If, as a result of the monitoring inspection, it is found that the items have not been repaired and it is determined that the Owner intentionally misrepresented the correction of these items, self-certification will no longer be an option for this owner. Depending on the severity of the misrepresentation, the HA reserves the right to implement other sanctions against the Owner including abatement or termination of the Housing Assistance Payments contract.

A HQS supervisor or qualified appointee will also randomly reinspect a minimum of 5% of the transitional units initially inspected during the year. If any "fail" items are discovered at these monitoring inspections, the owner and tenant will be contacted by mail to ensure that the corrections are made and if repairs are not made, the Section 8 HQS Inspection Coordinator may revoke the Owner's ability to conduct initial inspections.

I. HQS PILOT PROGRAM

As part of its MTW program, the HA may develop and implement one or more HQS pilot programs that allow testing of potential modifications to inspection protocols on a limited basis. Such pilot programs are intended to allow further analysis regarding how a proposed

[71] Approved under MTW 10/9/03

change might impact (both positively and negatively) program operations – leading to informed decisions regarding the potential to implement changes program-wide. Any pilot program will be documented and approved by the Executive Director (or his designee) prior to implementation. Documentation will include:

1. The specific changes to HQS protocols the pilot will examine.
2. Plan for implementation, including but not limited to.
   a. Timelines for the pilot, including how long it is expected to run, when data points will be collected (reporting frequency) and when a final determination regarding whether the pilot is successful will be completed.
   b. Size and scope of the units included. How will the HA determine whether a unit and/or landlord qualifies to participate in the pilot program?
   c. Anticipated outcomes and how will they be measured to determine success or failure. For example: What data points will be analyzed to determine the effects, both positive and negative of the pilot? How will success of the program be defined?

3. If modification of a pilot plan becomes necessary, the change and the reasons for it must be documented and approved by the Executive Director (or designee).

A change which has been piloted and which has been deemed successful such that the HA wishes to make it a permanent change will be documented in the Administrative Plan.

20: RECERTIFICATION OF FAMILY INCOME, COMPOSITION, AND DEDUCTIONS

A. REVIEW OF FAMILY ELIGIBILITY

To assure that each Family participating in the Project-based Program is meeting the eligibility requirements for continued participation and to calculate the appropriate Total Tenant Payment for each Family, their eligibility status, Total Family Income, Family Composition, and all allowable deductions will be reviewed periodically. The frequency of the scheduled recertification, other than for Transitional Housing (described below) is determined by the rent calculation method (EASY Rent or WIN Rent) assigned to the household. Should a family change from one program to the other, the change will occur at their next full recertification.

1. **Transitional Housing Program**

   As the scheduled stay in Transitional Housing is to last no longer than 24 months, there is no need to perform a second annual review. In the event a participant remains in the unit longer than 24 months, the rent amount will continue on a month-to-month basis for an additional 3 months or until the Family moves from the unit, whichever is less. If the Family is still in the unit after 27 months, a full review will be performed to determine the tenant's new rental portion.[72]

B. THE RECERTIFICATION PROCESS[73]

The information gathered at the recertification includes the minimum necessary to certify the household's continued eligibility for program participation and proper assignment of unit size. Regularly scheduled recertifications will be completed every 3 years for EASY Rent Households and every 2 years for WIN Rent households as detailed in this Plan. The Housing Authority will send a notification letter to the family letting them know that it is time for their recertification. The letter includes information for families who may need to request an accommodation due to a disability of a family member.

As a general rule, the recertification process shall begin 90-120 days in advance of the scheduled anniversary date so that the Family and Owner can be given reasonable notice of any changes. The family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's Total Tenant Payment (TTP). Where appropriate, the Authority shall use the same procedures for obtaining, verifying, and calculating information that were used at admission and will

[72] Approved MTW Policy Section V.20
[73] Approved under MTW 11/1/10

compare the information the Family reports to the Family's most recent recertification and to information available through HUD's EIV system to identify any discrepancies. Upon receipt of verification, the Housing Authority will determine the family's annual income and will calculate the rent according to the terms of the applicable EASY Rent or WIN Rent program as outlined in this Plan.

If the Family fails or refuses to provide the information needed (information that the HA determines the Family is capable of supplying) within the required time limits, the HA shall begin the process of terminating the Family from the Section 8 Program and ending the lease.

Once rent is established during the recertification, the rental rate shall remain in place until the next scheduled recertification or until circumstances occur that qualify for an Interim or Special rent adjustment as described in this policy.

C. EFFECTIVE DATE OF CHANGES FOR RECERTIFICATIONS

Any rent adjustment determined as a result of the recertification process will generally be effective at the Tenant's anniversary date, with thirty (30) days' notice of any rent increase to the family.

If the rent determination is delayed due to a reason beyond the control of the family, any rent increase will be effective the first of the month after the month in which the family receives a 30-day notice of the amount. (The family's recertification date will not change as a result of such a delay in implementation of the increased rent.) If the change results in a reduction in rent, the reduction will be effective on the anniversary date.

When the Family causes an unreasonable delay in the reexamination process and the Family's rent decreases, the HA shall implement the decrease the first of the month following the completion of the reexamination processing. A rent increase under these circumstances will be retroactive to the scheduled anniversary date. (The family's review date will not change as a result of such a delay in implementation of the decreased rent.)

D. OWNER REQUEST FOR RENT INCREASE

Under the Project-based program owners are allowed to request an increase in rent 60 days prior to the anniversary date of the contract. Any approved rent adjustment will be implemented for new participants at the time of their housing.[74] The increase for

[74] Approved under MTW 7/11/05

current participants will be implemented at their next update or full recertification, whichever comes first.[75]

E. RECERTIFICATION RULES SPECIFIC TO EASY RENT HOUSEHOLDS[76]

1. **Recertification Every 3 Years:** Under the EASY Rent program, Fixed Income Households will undergo a complete **Recertification every three (3) years.** In completing the recertification, the Housing Authority will follow the general guidelines established in Section B above. Following completion of the recertification, **the tenant's rent will be set at 30.7% of household adjusted income**.

   a. In intervening years, income and rent will be automatically adjusted to apply COLA increases to Social Security and SSI income, update applicable EAS amounts or implement changes in the contract rent requested by the Owner and approved by KCHA. Additional changes may occur when determined necessary by KCHA as a result of Board approved modification of income and rent calculation policies detailed herein. No other changes in rent will be processed during the intervening years, except as outlined in Sections G and H below.

   b. Families remain subject to regularly scheduled Unit Inspections.

   c. EASY Rent Households will remain subject to certification requirements applicable to overlaying programs, such as those of the Low Income Tax Credit (LIHTC) program. However, these certifications will be conducted to determine the residents continued eligibility for program participation only. Actual tenant rent will be calculated according to the criteria established in this plan.

F. RECERTIFICATION RULES SPECIFIC TO WIN RENT HOUSEHOLDS[77]

1. **Recertification Every 2 Years:** Under the WIN Rent program, households will undergo a complete recertification every two (2) years. The WIN Rent program utilizes "income bands" to group resident income and allows income to grow without an immediate change in their required monthly rent. In completing the recertification, the Housing Authority will follow the general guidelines established in Section B above. Following completion of the recertification, the tenant's rent will be set at the level equal to the Gross Rent Amount associated with the Income Band within which the household's Adjusted Gross Income falls.

---

[75] Aprroved under MTW 11/1/10
[76] Approved under MTW 6/23/08
[77] Approved under MTW 11/1/10

a. In intervening years, adjustment to rent may result from updates to the applicable EAS amounts or to implement changes in the contract rent requested by the Owner and approved by KCHA. Additional changes may occur when determined necessary by KCHA as a result of Board approved modification of income and rent calculation policies detailed herein. Income and rent WILL NOT be adjusted to reflect increased income received by the household – except as outlined in Sections G and H below.

b. Families remain subject to regularly scheduled unit inspections.

c. WIN Rent Households will remain subject to certification requirements applicable to overlaying programs, such as those of the Low Income Housing Tax Credit (LIHTC) program. However, these certifications will be conducted to determine the residents continued eligibility for program participation only. Actual tenant rent will be calculated according to the criteria established in the plan.

G. INTERIM RECERTIFICATION RULES FOR EASY RENT AND WIN RENT HOUSEHOLDS[78]

1. **KCHA Required Interim Reviews:** An interim review will be required in the following situations:

   a. Whenever the family seeks approval to add a member to the household. However, tenant rent will be changed only when:

      - **For WIN Rent Households:** The addition of the household member results in increasing household income above the current income band;

      - **For EASY Rent Households:** The addition of the household member results in an increase in household income of greater than $2,000;

   b. When a family removes or changes a live-in aide;

   c. When a family is removed from the Earned Income Disregard;

   d. Increases in income for a household that is currently paying the Minimum Rent, on a minimum rent waiver or has a reported income of $0. In such cases, interim reviews will be required until the household no longer qualifies for the minimum rent;

   e. An increase in income following a reported decrease in income that results in a change in rent;

[78] Approved Under MTW 11/1/10

f. Discovery of Errors, misrepresentation and/or fraud.

Increases in household income that are not the result of one of the actions listed above will not be included in the rent calculation until the next full recertification for a household.

2. **Tenant Requested Interim Reviews:** Upon request, KCHA will complete an interim review under the following circumstances:

   a. For WIN Rent Households:

      i. **A Household composition change** resulting in a decrease in income below the current income band;

      ii. A **decrease in income** that results in a drop in income below the current income band;

      iii. **Increase in unreimbursed childcare expenses** greater than $2,000 when total childcare expenses exceed $2,500 (available only to households eligible to claim a reduction in gross income for childcare expenses);

      iv. **Increase in unreimbursed medical expenses** greater than $2,000 when total medical expenses exceed $2,500 (WIN Rent households must be granted an exception under KCHA's Hardship Policy in order to qualify for a deduction for medical expenses); or

      v. Discovery of errors, misrepresentation and/or fraud.

      Under the WIN Rent program, households are limited to two (2) tenant-requested Interim reviews in any two-year recertification cycle.

      When completing a tenant requested interim to reduce rent, all sources of income received by the household (including employment income of household members who have turned 21 since the last full recertification) together with all current out-of-pocket expenses for childcare will be included in calculation of the adjusted rent.

   b. For EASY Rent Households:

      i. A **Household composition change** resulting in a reduction in household income greater than $2,000;

      ii. A **decrease in income** in an amount greater than $2,000 through no fault of their own;

iii. **Increase in unreimbursed medical expenses** greater than $2,000 when total medical expenses exceed $2,500; or

iv. Discovery of errors, misrepresentation and/or fraud.

3. Interim recertifications will only be processed if the effect of the loss of income is expected to be longer than thirty (30) days. KCHA will not reduce the rent of a household due to a reduction in welfare assistance specifically due to fraud or failure to participate in an economic self-sufficiency program or comply with a work activities requirement. This exception does not apply if: (i) the reduction results from the expiration of a lifetime limit on receiving benefits; (ii) as required the family members have sought, but cannot find, employment; (iii) the family has complied with welfare program requirements but loses assistance because of a durational time limit – such as a cap on benefits for a period of no more than 2 years in a 5 year period.

   Interim rents remain in place until the next scheduled recertification or until the household experiences an increase in rent, whichever comes first. Households receiving an interim rent reduction must report any subsequent income increase to the Housing Authority within thirty (30) days of occurrence. Failure to report within the thirty (30) day period will result in retroactive rent charges and may result in Housing Authority action to terminate tenancy.

H. SPECIAL REVIEWS

If at the time of the income determination it is not possible to make an estimate of Adjusted Income for the next twelve month period with any degree of accuracy because of no current income or unstable past income patterns, KCHA shall determine current rent based on available income data and annualize this amount. A Special Review shall then be scheduled for a specified time (30, 60, 90, or 120 days) depending upon KCHA's estimate of the time required for the Family circumstances to stabilize. This process shall be continued, if necessary up to the Family's next full recertification, until such time as a reasonable estimate of Adjusted Income can be made.

If income has changed at the time of any Special Review, the rate of income shall again be projected for a twelve-month period and rent charged accordingly.

If at any time the Family reports it has **zero income**, Special Reviews may be scheduled until such time as a stable source of income is reported (See Exhibit C, item I.R for additional information). If a Family is eligible for certain sources of income but claims they do not have any income, the Family shall be required to document that they are not receiving income to which they are entitled. For VASH households KCHA will accept self-certification of zero income by the family without requiring further verification from the family. KCHA reserves the right to further verify the zero income status of a household using other means.

I. PROCESSING INTERIM AND SPECIAL RECERTIFICATIONS

1. Reporting of Changes

Families are required to report the following changes in writing to the Housing Authority within 30 business days of their occurrence:

a. Changes affecting family composition; and

b. Any increase in income

Failure to properly report required changes could be cause for termination of tenancy and/or housing assistance payments; and, if applicable, shall require a retroactive rent charge.

Whenever additional members are being added to the household (other than newborn children), written permission must be obtained (in advance) from KCHA and the Landlord. A person being added to the household must meet KCHA's eligibility requirements and standards prior to being added to the household. The same standards of eligibility and tenant suitability that KCHA uses for applicants shall be used in evaluating a person who is joining a Family already in occupancy.

2. Processing of Reported Changes

Upon receipt of the reported information, the changes will be processed in the following manner:

a. If the change qualifies for an interim review, KCHA will:

i. Consider all current family income and deduction[79]:

- Childcare amounts must be verified in all cases;
- Medical amounts should only be verified if the change affects the medical amount;
- Income from family members who have turned 21 since the last review should now be included in total family income.

ii. Notify the tenant within fourteen (14) business days that the review will be conducted.

iii. Always give the tenant thirty (30) days written notice of a rent increase.

[79] Approved under MTW 11/1/10

b. If the change does not qualify for an interim review, KCHA will notify the tenant within thirty (30) calendar days that the review will not be conducted.

c. Whenever there is evidence that additional changes to income for family composition will occur as a result of the reported changes, KCHA reserves the right to delay processing an interim review for a period not to exceed thirty (30) days in order to allow the situation to stabilize.

3. Effective Date of Rent Changes/Retroactive Charges

a. **Increased Tenant Rent**

i. If the change has been reported as required and results in an interim review, the increased rent shall be made effective the first of the second month following the month in which the change in family income or composition occurred.

ii. If the change has been reported as required and results in an interim review, and the processing of the interim review is delayed due to the fault of KCHA, the rent increase shall be effective the first of the month thirty (30) days following the processed change.

iii. If the change has *not* been reported as required, or if the tenant fails to provide the required information, and an interim review would have been processed, the Family shall be determined to have caused an unreasonable delay in the interim review process. The rent will be increased the first of the month thirty (30) days following the processed change. However, the effective date of the increase will be the first of the month following the date the change occurred. Any money due KCHA as a result of the difference between the date the rent was increased and the effective date of the increase will be charged to the tenant as retroactive rent.

b. **Decreased Tenant Rent**

i. If the change has been reported as required on or before the 22nd day of the month, a decrease in tenant rent shall be effective the first of the month following the change. If the change has been reported as required, but after the 22nd day of the month, a decrease in rent shall be effective the first of the second month following the month in which the change occurred. However, no downward rent adjustments shall be processed until all the facts have been verified, even if a retroactive adjustment results.

- KCHA will not reduce the total tenant payment because of a reduction in the Family's welfare assistance specifically because of fraud or failure to participate in an economic self-sufficiency program or to comply with a

work activities requirement. This exception does not apply if the reduction results from:

- The expiration of a lifetime limit on receiving benefits;
- When a family has sought, but cannot find, employment;
- The Family has complied with welfare program requirements but loses welfare because of a durational time limit such as a cap on welfare benefits for a period of no more than two year in a five year period; or

ii. If the change has *not* been reported as required, a decrease in tenant rent shall be effective the first of the second month following the date the change *was reported.*

c. **Discovery of Errors**

If an error in rent is revealed at any time, KCHA shall make adjustments to correct the error as follows:

i. If the error was due to misrepresentation/fraud (i.e., not reporting a change, withholding information, etc.) and corrective actions result in an *increased* tenant rent, such rent shall be retroactive to the first month following the day the misrepresentation occurred. Unless otherwise agreed to by KCHA, all retroactive rent charges shall be payable the first of the month following determination of the charge.

ii. If the error was the fault of the tenant and corrective action results in *decreased* rent, such decrease shall be effective the first of the month following the date when the error was discovered.

iii. If the error was *not* the fault of the tenant and corrective action results in *increased* tenant rent, such rent shall be effective the first of the second month following the date the error was discovered.

iv. If the error was *not* the fault of the tenant and corrective action results in *decreased* tenant rent, the change in rent shall be made retroactive to the effective date the error was made, and the tenant shall be reimbursed accordingly. Where possible, reimbursement will be completed by crediting the tenant's account for the overpayment. Otherwise, the HA will issue a check to the tenant following completion of the corrective action.

J. DEBT COLLECTION PROCEDURES

Before a debt is assessed against a participant or owner, the HA's claim that a debt is owed to King County Housing Authority must be properly documented, which shall include a clear written explanation of the method used to calculate the debt. The debt file, with all supporting documentation, shall be made available to the owner or the participant who owes the debt. When fraud is involved, the HA may refer a participant's or owner's case to the HUD Inspector General, in addition to pursuing any available civil remedy against the participant or owner.

1. Methods of Debt Collection

a. Every effort shall be made to collect all debts owed, which includes, but is not limited to:
   - Demands for lump sum payments;
   - Execution of a payment agreement;
   - Partial abatements when appropriate;
   - Reductions in HAP in cases of an owner owing the HA;
   - Use of collection agencies; and
   - Securing judgments.

2. Payment Agreements

a. A payment agreement is a written agreement entered into between the HA and a person who is indebted to the HA. It shall contain a promise to repay the debt, details regarding the nature of the debt, the terms of payment, any special provisions, and the remedies available to the HA in the event of a default by the debtor. Payment agreements must be signed and dated by the HA and the head of household and spouse/co-head (if applicable).

b. The HA, at its sole discretion, may enter into payment agreements with owners or participants. The HA will generally not enter into payment agreements when:
   - There is an existing payment agreement between KCHA and the owner or participant;
   - The HA determines that the owner or participant has committed or has attempted to commit program fraud; or
   - The HA determines that the amount owed is more than the owner or participant can repay based on their current income and the time limits for repayment (see below).

c. The HA shall prescribe the terms and conditions of any payment agreement based on the following criteria:
   - Amounts $600 or under must be repaid within 12 months.

- Amounts between $601 and $1200 must be repaid within 24 months.
- Amounts between $1201 and the Federal or State threshold for criminal prosecution must be repaid within 36 months.

d. The monthly payment shall be the greater of $50 or the total amount due divided by the number of months in the terms stated above. Payments may be made by Personal Check, Cashier Check or Money Order. Cash will not be accepted. All payments are due by the close of business on the last day of the month. If that day does not fall on a working day, the due date is the close of business on the first working day following the last day of the month.

e. If the above payment schedule causes an undue hardship and the family can provide satisfactory evidence to the HA that the plan would cause an undue hardship, the HA has the discretion to require a lesser payment over a longer period of time.

f. If the family refuses to repay the debt, enter into a repayment agreement, or breaches a repayment agreement, the HA will terminate the assistance upon notification to the family and pursue other modes of collection. Families will have the right to grieve the termination or to ask for a Reasonable Accommodation to the payment schedule, if applicable.

3. Late or Missed Payments

a. If full payment is not received by the end of the business day on the date due, and prior approval for the missed or partial payment has not been given by the HA, the HA will send the family a delinquency notice giving the family 10 business days to make the late payment. If the payment is not received by the due date of the delinquency notice, it will be considered a breach of the agreement and the HA will terminate assistance. If a family receives three delinquency notices for unexcused late payments in a 12-month period, the repayment agreement will be considered in default, and the HA will terminate assistance in accordance with administrative policy.

b. The Section 8 Associate Director may approve a decrease or temporary deferral (up to 6 months) of the monthly payment for participants who experience a hardship (such as loss of income or a medical situation), provided that the participant requests a hardship in a reasonable time, provides verification of the hardship, and has been in compliance with the terms of the agreement up until the hardship. The change in monthly payment shall be an attachment to the payment agreement and shall be signed by the Section 8 Senior Housing Program Manager and the participant(s). The term of the payment agreement shall be lengthened accordingly.

4. Debts owed by New Applicants

a. Generally a family applying for housing will not be considered eligible if they currently have a debt with any Housing Authority. Any legally collectable* amounts owed must be repaid in full prior to being considered for housing with the following exception:
   - Families applying for programs where supportive services are directly connected to the subsidy will be given the opportunity to enter an agreement to repay such amounts. The terms of the agreement will be prescribed by the Housing Authority where the debt was incurred.

***** *Legally collectable debts means debts that are not beyond the statute of limitations, 6 years, or are not barred from collection due to a bankruptcy action taken by the family to erase the debt.*

5. Current Participants moving with a current debt

a. Current participants wishing to move must agree to repay any amount owed or maintain the agreement depending on where they are moving. Families wishing to move on the program within the KCHA jurisdiction will not be approved until the family is current in their payment agreement, unless the move is the result of one of the following causes:
   - Family size exceeds the HQS maximum occupancy standards;
   - The HAP Contract is terminated due to owner non-compliance or opt-out;
   - A man-made or natural disaster;
   - The move is pursuant to a reasonable accommodation approved by the HA; or
   - The move is necessary as a result of domestic violence, with documentation of police reports and a court-ordered restraining order.

b. Families wishing to move outside of the HA jurisdiction will not be approved until the debt is paid in full.

6. Debts owed by an Owner

a. If an owner has received Housing Assistance Payments or claim payments to which the owner is not entitled, the HA may recover such amounts from future Housing Assistance Payments or claim payments owed the owner. If future housing assistance or claim payments are insufficient to recover the amounts owed in a reasonable time, the HA may:
   - Demand that the owner pay the amount in full within 30 days;
   - Enter into a payment agreement with the owner for the amount owed;
   - Refer the debt to a collection agency;
   - File a lawsuit to recover the debt; or

- Prohibit the owner's future participation in the program.

7. Debts Sent to Collection

a. For families who vacate the Section 8 program and who have either not signed a repayment agreement or have stopped making payments for at least 90 days after the date of vacate, the remaining debt amount will be sent to a collection agency. While the debt is still owed and the families will still be barred from the program, the HA will no longer pursue repayment.

K. GENERAL REVIEW PROCEDURES

1. **Tenant Files/Entries**

Data assembled at the time of a Review is to be filed in the folder set up for the Family at the time of its admission. The Head of Household and/or spouse is required to submit the necessary information for completion of an application or recertification for tenant eligibility and computation of rent.

All entries shall be made in ink or typed. Corrections or changes are to be made by lining through the original entry and entering the correct data. Such changes are to be dated and initialed by the person recording the changed data, and the reasons and authority for such changes are to be noted in the record.

2. **Verification and Documentation of Review Data**

The information submitted by the Family is to be verified according to the verification requirements of Section 17 and Exhibit E. All members of the household over the age of 18 shall be required to complete and sign KCHA's Release of Information (Authorization) form to allow access to third party verification. Complete and accurate verification records shall be kept in the Family's file.

3. **Action Required Following a Review**

For all reviews, the Family shall be promptly notified of the results and the effective date of any change. Specifically, notification shall be given as to:

a. Eligibility status and, if ineligible, the date housing assistance payments will cease.

b. Any change to be made in the Tenant Rent.

c. Any change to be made in the size of the dwelling unit if the unit is over housed or under housed.

d. Any instances of misrepresentation or violation of the Family Obligations and any action that is to be taken. If a determination is made by KCHA that data supplied or not properly reported was misrepresented, either on the application or any subsequent review, KCHA may cancel the Project-based assistance, adjust the Tenant Rent, collect from the Family the difference between the rent it has paid and what it should have paid, and/or terminate the Family's housing assistance.

The Family shall be notified, where applicable, of their opportunity for an Informal Hearing.

21: LEASING AND TENANCY

A. THE DWELLING LEASE

Each assisted Family is required to sign a lease with the Owner. Owners must use their own lease in conjunction with the Project-based Assistance lease addendum. When applicable, the Supportive Services Lease Addendum will be attached to the lease (and noted on the lease as an Exhibit).

1. **Lease Requirements**

The lease must contain, at a minimum, the following information:

a. Names of the Owner and Tenant;

b. The address of the rental unit;

c. The term of the lease;

d. The amount of monthly tenant rent to the Owner;

e. The utilities and appliances to be furnished by the Owner;

f. A specification of what services, maintenance, equipment, and utilities are to be provided by the Owner;

g. The amount of any charges for food, furniture, or supportive services (if in an assisted living program); and

h. The Project-based Assistance Lease Addendum.

The Owner will be informed that KCHA does not review the Owner's lease for compliance with State and local law, but that the Owner is certifying to such compliance when they sign the HAP contract. The Owner will also be informed that if there is a conflict between the Owner's lease and the addendum, the provisions of the addendum will prevail. The Tenant and Owner must execute the lease and provide a copy to KCHA.

2. **Form of Project-based Assistance Lease Addendum**

KCHA will use the HUD-approved Project-based Assistance Lease Addendum, but reserves the right to develop a new addendum so long as it is consistent with KCHA's MTW Policy for Project-based Assistance.

3. **Tenant's Legal Capacity**

The Tenant must have legal capacity to enter a lease under State and local law. Legal capacity means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the Owner.

4. **Changes in the Lease**

If the Tenant and the Owner agree to any change in the lease, such change will be in writing, and the Owner must immediately give KCHA a copy of all such changes. The Owner must notify KCHA in advance of any proposed change in lease requirements governing the allocation of Tenant and Owner responsibilities for utilities. Such changes may be made only if approved by KCHA and in accordance with the terms of the lease relating to its amendment. KCHA will redetermine reasonable rent based on any change in the allocation of responsibility for utilities between the Owner and the Tenant, and the redetermined reasonable rent shall be used in calculation of rent to Owner from the effective date of the change.

5. **The Initial Term of the Lease**

The initial lease term will generally be for a minimum one year. However, under special circumstances the term can be varied with KCHA approval. For example former Public Housing units converting to Project-based Assistance and households who transfer from one project-based unit to another, will continue to be recertified using their established (WIN or EASY Rent) recertification schedule. This may result in an initial lease term at their new unit of less than a year.

6. **Subsequent Lease Terms**

Lease renewals following the completion of the initial lease may be on a month-to-month basis or longer.

B. OWNER SECURITY DEPOSIT

The Owner may collect a Security Deposit from the Tenant. The amount of the Owner-requested Security Deposit is determined by private market rental practices and cannot be in excess of amounts charged to other unassisted units. KCHA will not determine the Security Deposit for an Owner nor will KCHA determine whether the Security Deposit is reasonable. If any participant feels they have been discriminated against with regards to the Security Deposit, they may contact KCHA for assistance.

When the tenant vacates the unit the Owner must give the Tenant a written list of all items charged against the Security Deposit and the amount of each item. After deducting the amount used to reimburse the Owner, the Owner must promptly refund the full amount of the balance to the Tenant in accordance with Landlord/Tenant law. If the Security Deposit is not sufficient to cover amounts the Tenant owes under the lease,

the Owner may seek to collect the balance from the Tenant. KCHA has no liability or responsibility for payment of any amount owed by the Family to the Owner.

C. DETERMINATION OF HOUSING ASSISTANCE PAYMENT

The monthly housing assistance payment by KCHA to the Owner for a Contract Unit leased to a Family is the rent to Owner minus the tenant rent (total tenant payment minus the utility allowance). KCHA is responsible only for making housing assistance payment to the Owner on behalf of a Family in accordance with the HAP contract. KCHA is not responsible for paying the tenant rent, or any other amount claimed by the Owner.

1. When Housing Assistance is Paid

   While the Family is residing in the unit, housing assistance payments are paid to the Owner in accordance with the terms of the HAP contract and may only be paid to the Owner (unless otherwise directed by the Owner in writing or a by court of law) during the lease term. Housing assistance payments will terminate if:

   a. The lease terminates;

   b. The HAP contract terminates; or

   c. KCHA terminates assistance for the Family.

2. If the Family moves out of the unit:

   a. KCHA may not make any housing assistance payment to the Owner for any month after the month the Family moves out.

   b. The Owner may keep the housing assistance payment for the month in which the Family moved out of the unit regardless of the date of eviction, abandonment, or voluntary move-out.

   c. In the case of abandonment by the tenant, KCHA will pay through the end of the month in which it can be reasonably determined that the unit was vacated.

   d. KCHA would not pay through the end of the month when both the tenant and the Owner mutually agree to terminate the lease on a date other than the end of the month.

   e. KCHA will not make further vacancy payments to the Owner except as provided for in item 3 of this section.

3. For RAD units only, vacancy payments may be paid under specific circumstances including:

a. At any time the unit qualifies for RAD Rehab Assistance Payments; or

b. For the period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month provided that:

i. The owner submits a request for vacancy payments

ii. The owner certifies that the vacancy is not the fault of the owner, the unit was vacant during the period claimed, and the owner has taken every reasonable action to minimize the likelihood and length of the vacancy.

D. DETERMINATION OF TENANT RENT AND TOTAL TENANT PAYMENT

1. **Tenant Rent**

Tenant rent is the portion of the rent to Owner paid by the Family and is determined by KCHA. Following the Family's initial rent determination, there is no limitation on the tenant's portion. Any changes in the amount of the tenant rent will be effective on the date stated in a notice by KCHA to the Family and Owner and is the maximum amount the Owner may charge the Family for rent. The Family is not responsible for payment of the portion of the rent to Owner covered by the housing assistance payment under the HAP contract. The Owner may not terminate the tenancy of an assisted Family for nonpayment of the housing assistance payment.

2. **Total Tenant Payment**

Calculation of rent will vary depending upon whether the Family qualifies as an EASY Rent Fixed Income Household or a WIN Rent Household. Information regarding the calculation or Total Tenant Payment and Tenant Rent for both programs is outlined below:

a. **EASY Rent Program**: [80]

i. The total tenant payment (TTP) is equal to 28.3% of adjusted monthly income (as defined in Section 2).

- EASY Rent Households with medical and/or handicapped assistance expenses of $2,500 or more may be eligible to receive a Medical Deduction as defined in this Plan. (See Section 2 and Exhibit C for additional information.)

[80] Approved under MTW 6/23/08 and 11/1/10

ii. A household's monthly Tenant Rent is equal to the calculated TTP, less the assigned Energy Assistance Supplement established by the Housing Authority for the assigned unit – subject to any Minimum Rent (as defined).

- Energy Assistance Supplement tables approved by KCHA (Exhibit S)

Minimum Rent: When the TTP calculated for a household is less than the Energy Assistance Supplement Utility Allowance, the Family will be provided with an Energy Utility Reimbursement for the difference between the EAS Utility Allowance and calculated TTP. However, the household may remain at the resulting Credit Rent for a limited period of six (6) months. After this six (6) month period, if the Family's calculated TTP remains below the established EAS utility allowance, the Tenant Rent will be adjusted to the established Minimum Rent of $0 and the credit rent removed. Adjustment to the minimum rent does not constitute an interim review and therefore income and family composition verification requirements do not apply.

iii. Hardship Review: A Family may be eligible to apply for additional relief from the $0 minimum rent under the established Hardship Policy (see below).

iv. Recertification and Cost of Living Adjustment (COLA): Fixed Income EASY Rent Households will be required to undergo a recertification at least once every three (3) years. In intervening years, income and rent will be automatically adjusted to reflect (COLA) increases applied to Social Security and SSI income received by the household

b. **WIN Rent Program Policies**[81]

A household who does not qualify as an EASY Rent Household will be placed under KCHA's WIN Rent program. Typically, WIN Rent Households include at least one adult (over age 18) family member who is currently working or considered "work-able". The WIN Rent program provides residents who are employed or able to work the opportunity to increase income without an immediate impact on the monthly rent paid by the household.

i. A household's Total Tenant Payment (TTP) is calculated to "Income Bands" established by KCHA and listed in **Exhibit T**. The TTP for each WIN Rent Household is equal to the Gross Rent Amount associated with the Income Band within which the household's Adjusted Gross Income falls.

- WIN Rent Households with out-of-pocket child care expenses (as defined) totaling $2,500 or more may be eligible to receive a Childcare Deduction. (See Section 2 and Exhibit C for additional information.)

[81] Approved under MTW 11/1/10

- WIN Rent Households are not eligible for a Medical Deduction unless one is granted following the family's request for a Hardship Review as a result of documented extraordinary cost of living expenses.

ii. A household's monthly Tenant Rent is equal to the calculated TTP, less the assigned Energy Assistance Supplement established by the Housing Authority for the assigned unit – subject to any Minimum Rent (as defined).

- Energy Assistance Supplement tables approved by KCHA are listed in Exhibit S of this Plan.

iii. **Minimum Rent**: When the TTP calculated for a household is less than the EAS, the family will be provided with an Energy Reimbursement for the difference between the EAS and calculated TTP. However, the household may remain at the resulting Credit Rent for a limited period of six (6) months. After this six (6) month period, if the family's calculated TTP remains below the established utility allowance, the Tenant Rent will be adjusted to the established Minimum Rent of $25 and the credit rent will be removed. Adjustment to the minimum rent does not constitute an interim review and therefore income and family composition verification requirements do not apply

iv. **Hardship Review:** A family may request and be determined eligible for relief from the calculated Tenant Rent when documentation shows the family meets the criteria outlined under KCHA's established Hardship Policy(see below).

v. **Recertifications and Cost of Living Adjustment (COLA):** WIN Rent Households will be required to undergo a recertification once every two (2) years.

- Rent will not be adjusted to reflect (COLA) increases in the intervening years.

c. Implementation of Changes to TTP Calculation

When the HA revises its method of calculating TTP, the new calculation method will be applied consistent with Board approval and as administratively feasible. Prior to implementation the HA will provide clear written documentation outlining the timeline related to changes in its TTP calculation.

d. Hardship Policy[82]

[82] Approved under MTW 11/1/10

Households notified of a rent increase will be informed, in writing, of their ability to seek a waiver based on financial hardship through the Housing Authority's established Hardship Policy. The policy is designed to allow KCHA flexibility to address unique, unforeseeable circumstances that may occur and to protect families in crisis. In order to receive a hardship rent, the household must apply for all benefits for which it may be eligible. Zero income households will be required to report income changes on a quarterly basis, until income is restored to the household.

i. **Hardship Criteria**. The following categories for Hardship will apply to all program participants under KCHA's EASY Rent and WIN Rent programs:

- **Extraordinary Cost of Living:** A household may apply for a hardship review when they experience an extraordinary cost of living that exceeds 50% of the household's monthly income. Examples of when a family might meet this criterion include:

  - Any household whose combined gross rent plus monthly out-of-pocket medical or childcare expenses exceeds 50% of household monthly income. Gross Rent is defined as actual monthly rent paid (excluding amounts above the applicable Payment Standard) plus the assigned energy assistance supplement, or, minimum rent (if applicable). Only unreimbursed medical expenses incurred for the care of an elderly and/or disabled household member will be considered in determining extraordinary costs. Childcare expenses will only be allowed when the expense meets eligibility thresholds for all other WIN Rent households as defined by the Housing Authority and when the amount is not reimbursed from another source.

- **Waiver of Minimum Rent / Extension of Energy Assistance Reimbursement beyond six (6) months:** A household may apply for an extension of its energy assistance reimbursement (credit rent) beyond the initial six month cap. To be eligible for hardship relief, the household would need to demonstrate that: (1) the loss of additional energy assistance would put the household at risk of losing their housing; (2) their continued lack of income has not been through the fault of the household, and (3) the household has applied for, but been unsuccessful in connecting to available financial resources for which they might be eligible.

  - **Exception:** Residents with exempt or excluded income and those who have been denied assistance (TANF, etc.) due to non-compliance with program requirements would not be considered to have a hardship meeting this category.

- **Additional Interim Review:** A WIN Rent household that has previously requested the maximum number of interim reviews to decrease their rent, but experiences an additional unforeseen decrease in income may request a hardship review. To be eligible for relief (1) the family's decrease in income could not have been due to the action or inaction of a member of the household; and (2) if the interim review was not applied, the family's shelter burden would exceed 50% of monthly income. No hardship will be granted if KCHA determines the family could (but is not) accessing an available alternate income source.

- **Deduction for Medical or Childcare Expenses above the $10,000 Cap**: A household eligible to receive a reduction from gross income for medical or childcare related expenses may request a hardship review to request a reduction of gross income above the $10,000 cap. In order to be eligible for relief under this criterion, the family must document that (1) the claimed expense is not reimbursable from an outside source; and (2) annualized costs for rent and out-of-pocket medical and/or childcare expenses would exceed 50% of gross income. In the case of childcare expenses, the amount of childcare assistance paid is reasonable in relation to amounts charged for similar care available in close proximity to the household's current childcare provider.

- **Mandatory Reductions to Fixed Income in excess of $500**. Households who experience a reduction in a "fixed" source of income (GAU, Disability Lifeline, SSI, Social Security, TANF, and Government of Private Pensions) may be eligible for a reduction in rent when KCHA determines the loss of income was out of the control of the recipient. In such cases, KCHA will:

  - Conduct an interim review for reduction to a fixed income source in an amount greater than $500 per year. (Rather than the standard $2,000 threshold required under KCHA's Interim Review policy.)

  - Coordinate with state and/or federal agencies as soon as possible to document the income changes and streamline the interim review process using its existing tenant database to recalculate rent "in mass" in order to limit the impact upon the participating household. Under such circumstances, a modified interim review policy will be utilized to allow the HA to adjust rent based ONLY upon the revised income reported by the state and/or federal agency. Additional income and deduction amounts for the household will be carried over from the previous Recertification completed for the household. Any errors in rent resulting from use of data supplied directly from the state and/or federal agency will be considered caused by HA action and will corrected as outlined in Section 10 of this plan.

ii. **Hardship Committee**. A KCHA appointed Hardship Committee will be responsible for review of all Hardship Requests. The Committee shall be comprised of KCHA staff, including the Director of Housing Initiatives, the Senior Programs Manager, and an additional Resident Services Department staff person. Once a hardship review request has been submitted, the Committee will examine each family's circumstances on a case-by-case basis. The Committee has a choice of remedies it can recommend (including permanent, family-specific rent caps) as deemed appropriate, to reduce a qualifying household's rent burden.

- **Remedies Available under the Hardship Policy**: The Hardship Committee has a number of determinations that can be made under the policy including:
  - No hardship exists;
  - Rent should be set at a permanent, family specific cap;
  - The energy assistance reimbursement (credit rent) should be extended for a specific period of time;
  - The rent increase should be phased in over a specific period of time;
  - Approval of an additional interim review for a family that has previously exhausted the established limit of 2 interim reviews per every 2-year cycle for WIN Rent households. In order to be considered for relief, the household must first meet the criteria for an interim review established above;
  - Approval of a Medical or Childcare Expense reduction from gross income in an amount above the $10,000 maximum. Relief may be granted for a specific period of time, or indefinitely, as determined by the Committee. However, no relief will be granted without documentation of extraordinary circumstances beyond the control of the household;
  - Authorize completion of an interim rent recalculation for reductions in income below established thresholds. (NOTE: Available only to households affected by a reduction in a "fixed" source of income through no fault of their own.)
  - Appropriate combination of above listed options.

ii. **Appeals**: Families, who disagree with the recommendation of the Hardship Committee and/or final approval of the Director of Housing Management or Director of Resident Services, as applicable, may appeal the determination

through the Housing Authority's existing Informal Hearing process.

E. RENT CALCULATIONS FOR OVER-INCOME PUBLIC HOUSING REDEVELOPMENT PARTICIPANTS

A family housed in a former Public Housing Redevelopment unit who has a total income above 80% AMI for their family size will have their rent amount capped at the lower of the contract rent for the unit or the amount determined through the normal WIN or EASY rent calculation method.

F. RENT CALCULATIONS FOR FAMILIES WITH NONCITIZEN MEMBERS

1. Families with all eligible family members (i.e., U.S. citizens, eligible noncitizens) will have their assistance calculated using the formula described above.

2. Families whose members include those with citizenship or eligible immigration status and those without (mixed families) must prorate their assistance in the following manner:

   a. Assistance Payment times the number of eligible family members divided by total family members.

   b. The provisions of prorated assistance do not apply to any person who is determined to be a noncitizen student or the Family of a noncitizen student, described below.

   c. Proration Exceptions

      i. Family of a Noncitizen Student: The prohibition of prorated assistance also extends to the noncitizen spouse of the noncitizen student and minor children of any noncitizen student if the spouse or children are accompanying the student or following to join such student.

      ii. A family living in a former Public Housing Redevelopment property who was living on the property at the time of conversion and who had been continuously assisted in their unit since the date of conversion will have their rent frozen at their last Public Housing amount for 12 months, provided income and family composition remain unchanged. Following the 12 months, rent will be calculated in accordance with 2.a. above.

G. RENT CALCULATIONS FOR GROUP HOMES AND SHARED HOUSING

c. Group Homes

   a. Contract Rent

i. For Housing Vouchers, the dollar amount of the Payment Standard for the entire home is divided by the total number of potential occupants (excluding a Resident Assistant).

ii. Rent reasonableness must be considered as well and is determined for the entire unit – not individual bedrooms.

iii. The Contract Rent is the maximum rent the owner can receive for the GH. A higher amount cannot be received, for example, by charging unassisted occupants more than the assisted ones.

iv. The owner is eligible for an adjustment in the contract rent once a year. As more than one assisted participant may be living in the home, the owner's anniversary date will be that of the Project-based contract anniversary date.

b. Tenant Rent

i. In order to determine the gross rent for each assisted tenant residing in the GH, the gross rent for the entire home is divided evenly among the occupants (both assisted and unassisted).

- One Resident Assistant living in the home may be excluded from this calculation when determining the total number of occupants.

- For purposes of this program, it will be the responsibility of the owner to inform the HA of the total number of potential occupants that will be living in the unit. It will be this number that is used to calculate each occupant's share of the gross rent – whether or not that potential total number is always present in the unit. Vacancies are the owner's responsibility to fill and will not result in an interim review to revise remaining tenant rents.

ii. Tenant rent is computed as per normal rent calculation methods, however the rent is based on the individual's appropriate share of contract rent.

iii. If the owner does not pay for all of the utilities, the appropriate EAS for the house will be determined based on the Section 8 Energy Assistance Schedule. To determine the assisted tenant's EAS, divide the total EAS by the potential number of occupants of the house, excluding the Resident Assistant, if any.

c. Housing Assistance Payment

i. The Housing Assistance Payment is the difference between the contract rent and the sum of all tenant portions. In no case will the contract rent plus EAS amount plus the sum of all tenant portions exceed the appropriate payment standard.

4. Shared Housing

a. Contract Rent

i. The contract rent for each subsidized family is pro-rated by dividing the total contract rent for the unit by the number of bedrooms in the unit to determine a per bedroom price. The figure is then multiplied by the number of bedrooms the family is eligible to occupy to determine the total pro-rated rent.

ii. The total bedrooms in the unit may not be less than the total bedrooms required by all persons living in the shared housing unit and all pro-rated rents must add up to the total contract rent.

b. Rent Reasonable - The rent to owner for the subsidized family may not exceed the pro-rated portion of the reasonable rent for the shared housing unit.

c. Housing Assistance Payment – To calculate the assistance payment, the payment standard will be the lower of:

i. The payment standard for the family unit size; or

ii. The pro-rated portion of the payment standard for the shared housing unit size.

d. Energy Assistance Supplement – The EAS for an assisted family residing in shared housing is the pro-rated portion of the EAS for the shared housing unit.

e. When one family chooses to leave the shared housing unit, it is the responsibility of the owner to refill the vacancy. Neither the residual tenant or the HA can be asked to pay the lost rent.

H. DETERMINATION OF THE ENERGY ASSISTANCE SUPPLEMENT[83]

1. Energy Assistance Supplement Tables

a. The Housing Authority has established an Energy Assistance Supplement (EAS) table based upon regional average consumption and have been designed to project the energy needs of a reasonably energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful environment. EAS amounts do not include allocations for telephone, internet or cable services and are intended only to supplement a household's actual energy costs. As such, the supplement may not cover the entire energy costs of a household that does not follow conservative energy use guidelines.

b. Energy Assistance Supplements will be adjusted annually using the CPI Household Energy Cost factor for the region. KCHA will review historical data

[83] Approved under MTW 11/1/10

available regarding energy consumption at least every 5 years to determine whether regional changes in energy consumption have occurred.

i. Where KCHA can reasonably determine that the structure type or construction of KCHA owned or controlled developments would produce consumption below the established amounts, adjustments to the approved Energy Assistance Supplements (to reflect lower energy usage at individual sites) will be implemented as appropriate.

ii. EAS revisions will be effective at each family's next interim, annual or full recertification.

2. **Applying the EAS**

a. The HA will review the Request for Tenancy Approval or other documentation supplied by the landlord to determine the amount of EAS, if any, for tenant-paid utilities (where all utilities are included therein, there will be no EAS).

b. For all project-based units except KCHA manage properties, in calculating the EAS amount, the lesser of the unit size or the size listed on the voucher will be used. For KCHA managed properties, the actual unit size shall be used to determine the EAS amount.

c. In order to receive the allowance for Water/Sewer/Trash the family must be responsible for at least two out of the three utility bills.

d. In addition, on request from a family that includes a person with a disability, the HA may approve an EAS which is higher than the applicable amount on the Energy Assistance schedule, if a higher EAS is needed as a reasonable accommodation. This increased amount will be determined by taking the family's most recent three month average of actual utility bill amounts rather than the HA EAS. In no case will the EAS be less than that on the approved HA schedule.

e. Generally, utilities must be separately metered within each unit and separately billed to the tenant by the utility company if the owner wishes to make the tenants individually responsible for the utility cost. However, current market trends now have more and more apartment complexes charging for utilities where there is not a separate meter or individual bill. In order to not unduly restrict housing choice for voucher holders, the Housing Authority will allow an owner to bill a tenant separately for each utility as long as it is clearly stated in the lease that the utility will be the responsibility of the tenant.

i. The above exception does not apply to electricity, gas, oil, or bottled gas or in the case of mother-in-law apartments. Separate meters or bills from the utility company will be required in these cases.

I. VACANCIES

The Owner must promptly notify KCHA of any vacancy or expected vacancy in a Contract Unit. After receiving the Owner notice, KCHA must make every reasonable effort to promptly refer a sufficient number of families for the Owner to fill such vacancies. The Owner must lease vacant contract units only to eligible families. The Owner and KCHA must make reasonable good faith efforts to minimize the likelihood and length of any vacancy. The Owner will not be paid by the HA during the time a unit is vacant.

1. Reducing Number of Contract Units

If any Supportive Housing Contract Units have been vacant for a period of 120 or more days since the Owner notified KCHA of the vacancy (and notwithstanding the reasonable good faith efforts to fill such vacancies), the HA may give notice to the Owner amending the HAP contract to reduce the number of Contract Units by subtracting the number of contract units (by number of bedrooms) that have been vacant for such period.

22: CONTINUED ASSISTANCE

A. FAMILIES ELIGIBLE FOR CONTINUED ASSISTANCE

1. Those who qualify as a Family (See Section 2). A Person with disabilities who subsequently "recovers" from their disability is eligible to remain in assisted housing; however, the Family will no longer be eligible for program deductions associated with their disability.

2. Those who are in compliance with the Family obligations listed on their Statement of Family Obligations and other Housing Authority requirements.

3. Those who conform to the subsidy standards set forth in Section 16.

4. Those whose family members qualify as Citizens or Noncitizens who have eligible immigration status (as defined in Section 2). Families in which one or more members are determined ineligible may be given the option of receiving prorated assistance.

5. Families whose income has increased to the point where they are receiving $0 in Housing Assistance Payment.[84]

   a. These families will continue to be reported to HUD as program participants, unless prevented by technical issues.

   b. Families will continue to be subject to all requirements of the program.

   c. If at any time the family's income drops to the point that they are no longer calculated at $0 HAP, then HAP payments will resume to the Owner on behalf of the family.

   d. Note that the above does not preclude a family requesting to be removed from the program. In such cases, the family will not be permitted to rejoin the program at a later date if their income has decreased.

B. FAMILIES CONSIDERED INELIGIBLE FOR CONTINUING ASSISTANCE WHO:

1. Those who have voluntarily moved from their Project-based unit.

2. Those who have had their subsidy terminated for reasons described in Section 23: Termination of Project-based Assistance.

---

[84] MTW Activity 2004-2

C. ELIGIBILITY FOR CONTINUED SUBSIDY IN CASES WHERE A FAMILY BREAKS-UP

1. KCHA shall have the sole discretion to determine which members of an assisted family will continue to receive assistance in the program if the Family breaks up.

2. It is the general policy of KCHA to provide the assistance to the Family members remaining in the unit unless it is determined the Family member(s) remaining in the unit is the abuser in a situation of domestic violence. If a superior court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, KCHA shall be bound by the court's determination concerning which family members continue to receive assistance in the program. If the deserving family members no longer reside in the unit, the assistance for those still in the unit will be terminated.

3. If this results in a change in bedroom size, the Family will be required to move in accordance with Section 16 - Subsidy Standards.

D. ELIGIBILITY FOR CONTINUED ASSISTANCE DUE TO ABSENCE FROM THE UNIT

It is the policy of KCHA that, in order to continue receiving the benefit of a Project-based housing subsidy, a family is expected to reside continuously in the dwelling unit and may only be absent for brief periods. Absence means that no members of the Family are residing in the unit. The lease may specify a maximum absence from the unit that may be shorter than the period permitted by KCHA.

This policy shall be enforced utilizing the following requirements:

1. The Family must notify both the Owner and KCHA of any absence from the unit including providing any information requested concerning the purpose of family absences.

2. KCHA may verify family occupancy in the unit, or absence from the unit, by such techniques as visits, calls or letters to Landlords, neighbors, etc.

3. The following specific policies apply:

    a. Absence from the dwelling unit due to incarceration after being convicted of a crime will result in the immediate termination of housing assistance;

    b. Absence from the dwelling unit due to hospitalization or rehabilitation will be limited to a maximum period of ninety (90) days in any twelve-month period (extensions due to unforeseeable circumstances regarding hospitalization or rehabilitation may be granted up to 30 additional days);

c. Absence from the dwelling unit due to vacations will be limited to a thirty-day period in any twelve (12) month period;

d. Absence from the dwelling unit due to temporary relocation due to employment will be limited to 180 days.

4. If a family is absent for longer than the maximum period permitted above, housing assistance payments will cease.

5. The Owner must reimburse KCHA for any housing assistance payment for the period after the termination.

E. TRANSFERS

1. Moving from one Project-based unit to another in a development is prohibited except in the cases of reasonable accommodation, over-and under-occupied units, KCHA-initiated moves and moves permitted by the transfer policy (Exhibit G).

2. In the case of shared housing, a family may be permitted to move between bedrooms within the unit.

3. In the case of KCHA managed properties, KCHA may permit transfers between Project-based units and Public Housing

4. If a family is permitted to move by KCHA, the subsidy paid for that tenant shall not overlap from one unit to another.

5. All moves must be approved by KCHA in advance

F. ALTERNATIVE FORMS OF ASSISTANCE

KCHA will provide alternate forms of continuing rental assistance to residents in Project-based unit in the following categories only:[85]

1. Transitional Housing

a. KCHA will provide continued assistance to graduates of KCHA Project-based Transitional housing programs in the form of a waiting list set-aside in KCHA's public or replacement housing program. Only transitional participants whose case managers have certified that they have completed a one-year lease and all program requirements of their transitional program will be eligible for this set-aside.

[85] Approved MTW Policy Section V.7

b. The transitional housing Programs Sponsors agrees to continue to house the Family who has applied for KCHA's public or replacement housing until the Family has accepted or declined one offer for a public or replacement housing unit.

2. **Transition In Place**[86]

a. Application for Transition-in-place Vouchers

KCHA may, from time-to-time make available allocations of Project-based Replacement Assistance to Owners who have contract replacement units and who also have transitional housing contract units at their property. These replacement vouchers will be available when the property notifies KCHA that they have a unit available under the replacement contract. The transitional client must have completed the "Graduation Requirements" and submitted the KCHA update packet to the Central Applications Center. KCHA would then offer the Family the opportunity to transition in place. If the Family stays in the same unit, the next available unit would then go back to the agency to house a new transitional Family.

b. Program Eligibility:

i. The total number of transitional and "transition in place" vouchers must not exceed 30% of the total number of units in any one development.

ii. The Family must be made aware of the full range of permanent housing opportunities available to them by the project sponsor prior to choosing the transition in place unit.

iii. Families will be eligible for the transition in place units on a first-come, first-serve basis. A Family may choose this option or pass on it for another permanent housing option.

iv. The Owner will be contracted for a base number of units for their transitional housing program. If the program meets the eligibility criteria, the program will be permitted to add a Project-based unit to their contract on a one-to-one basis with KCHA each time a graduating family elects to transition in place.

v. Should a graduate decide that they would prefer to transition in place at a time when the program has already met its three-unit maximum, the project sponsor may elect to convert a transitional unit into a permanent unit and reduce the number of transitional units in their contract.

c. Requirements for Services

[86] Approved MTW Policy Section IV.8

Project sponsors must agree to provide supportive services as-needed to families transitioning in place for up to 6 months or, as long as they stay in the permanent unit if needed and the project sponsor remains under contract with KCHA.

d. A Family Moves from a Transition in Place Unit

i. When a family moves from a transition in place unit, the project sponsor may convert that unit to a transitional unit so long as the maximum number of transitional units is not exceeded; OR

ii. The Owner may make available the option to transition in place to the next graduating transitional tenant; OR

iii. The Owner may elect not to rent the unit using Project-based Assistance until the need for this use has been determined.

23: TERMINATION OF PROJECT-BASED ASSISTANCE

A. TERMINATION OF A PARTICIPANT'S HOUSING ASSISTANCE PAYMENTS BY THE AUTHORITY

KCHA has the right to terminate housing assistance payments that are being made on behalf of the participant under an outstanding Contract. Reasons for termination of assistance may include any or all of the following:

1. If the Family has engaged in or threatened abusive or violent behavior toward HA personnel.

2. If any member of the Family has ever been evicted from Public Housing or has ever had their assistance terminated under the voucher program.

3. If the Family has not reimbursed any HA for amounts paid to an Owner under a HAP contract for rent, damages to the unit, or other amounts owed by the Family under the lease.

4. If the Family currently owes rent or other amounts to this HA or to another HA in connection with Section 8 or Public Housing assistance under the 1937 Act and has been offered the opportunity to repay and either refused to pay or has not maintained a repayment agreement.

5. If KCHA determines that the person's abuse of alcohol interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

6. If any member of the Family fails to sign and submit consent forms for obtaining information as required by program regulations.

7. If the Family is not eligible due to the following restrictions on assistance to non-citizens:

    a. Required documentation of citizenship (i.e., the declaration) and eligible immigration status is not submitted by at least one family member to KCHA.

    b. The Family knowingly permits another individual who is not eligible for assistance to reside (on a permanent basis) in the assisted unit. This provision does not apply to a family if the ineligibility of the ineligible individual was considered in calculating any proration of assistance provided for the Family.

c. Evidence of citizenship and eligible immigration status is timely submitted, but USCIS verification does not verify eligible immigration status of a family member and;

   i. The Family does not pursue USCIS appeal or informal hearing rights; or

   ii. USCIS and/or informal hearing rights are pursued, but the final appeal or hearing decisions are decided against the Family member.

8. If any family member fails to meet the eligibility requirements concerning an individual enrolled at an institution of higher education, as specified in Section 14 of this Administrative Plan.

9. If the Family fails to move after being required to by KCHA (due to such reasons as the unit being overcrowded or the Family being under housed – See Subsidy Standards, Section 16).

10. If any household member is subject to a lifetime registration requirement under a State sex offender registration program.

11. Death of the sole member of the family. Termination of the Housing Assistance payment will occur at the end of the month in which the death occurred.

12. If a Family in a Transitional Housing Program fails to participate in Support Services as outlined in the Support Services Lease Addendum and the Statement of Family Responsibilities.

13. If the Family violates any family obligations under the program as stated on HUD form 52578-B (Statement of Family Responsibilities) and listed below. The Family must:

    a. Supply any information that KCHA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status and information for use in a regularly scheduled reexamination or interim reexamination of family income and composition. "Information" includes any requested certification, release or other documentation.

    b. Disclose and verify Social Security numbers and must sign and submit a consent form for obtaining information.

    c. Supply any information requested by KCHA to verify that the Family is living in the unit or information related family absence from the unit.

    d. Promptly notify KCHA in writing when the Family is away from the unit for an extended period of time in accordance with HA policies.

e. Allow KCHA to inspect the unit at reasonable times and after reasonable notice.

f. Notify KCHA and the Owner in writing before moving out of the unit or terminating the lease.

g. Use the assisted unit for residence by the Family. The unit must be the Family's only residence.

h. Promptly notify KCHA in writing of the birth, adoption, or court-awarded custody of a child.

i. Request HA written approval to add any other family member as an occupant of the unit.

j. Promptly notify KCHA in writing if any family member no longer lives in the unit.

k. Give KCHA a copy of any owner eviction notice.

l. Pay utility bills and supply appliances that the Owner is not required to supply under the lease.

m. Ensure all information supplied to KCHA is true and complete.

n. Not own or have any interest in the unit.

o. Not commit any serious or repeated violation of the lease. Examples of serious or repeated violations of the lease include but are not limited to:

    i. Any of the following actions by the tenant, any member of the household, a guest or other person under the tenant's control;
        - Any activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents;
        - Any activity that threatens the health, safety or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises; or
        - Any drug-related criminal activity on or near the premises.
        - Activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is engaged in by a member of a tenant's household or any quest or other person under the tenant's control shall not be cause for termination or assistance, tenancy or occupancy rights if the tenant or affiliated individual or the tenant is the victim or threatened victim of the domestic violence, dating violence, sexual assault, or stalking. An "affiliated individual" is defined as a spouse, parent, brother, sister, or child of that individual, or any individual to whom stands in place of the parent, or any individual, tenant, or lawful occupant living in the household of that individual.

ii. A family pattern or history of disturbance of neighbors or destruction of property, or living or housekeeping habits resulting in damage to the unit or premises.

iii. Eviction from the unit for tenant-caused reason (except in the case of a family being evicted **solely** for non-compliance with their Social Service Participation requirement on the Project-based voucher program).

p. Not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.

q. Not engage in drug-related criminal activity or violent criminal activity (as defined in CFR 24 982.553).

i. If KCHA seeks to deny or terminate assistance because of illegal use, or possession for personal use, of a controlled substance, such use or possession must have occurred within the previous five years of the date of KCHA determination to deny or terminate assistance. In determining whether to deny or terminate assistance for use or possession of a controlled substance by a family member, KCHA shall take into consideration whether he or she can demonstrate that they:
   - Have an addiction to a controlled substance, have a record of such an impairment, or are regarded as having such an impairment; and
   - Are recovering, or have recovered from such addiction and do not currently use or possess controlled substances (evidence of participation in, or successful completion of a treatment program shall be required as one of the conditions to being allowed to reside in the unit).

ii. In making its determination as to whether drug-related criminal activity or violent criminal activity occurred, the issue will be whether the preponderance of evidence indicates that a family has engaged in such activity, regardless of whether the Family member has been arrested or convicted.

iii. In cases of termination as a result of persons convicted of manufacturing or producing methamphetamine on the premises of the Section 8 unit (defined as the building or complex in which the dwelling unit is located including common areas and grounds), KCHA will permanently deny further participation on any assisted housing program.

r. Not sublease or sublet the unit or assign the lease or transfer the unit.

s. Not receive Section 8 Project-based voucher assistance while receiving another housing subsidy, for the same unit or for a different unit, under any other Federal, State or local housing assistance program.

t. Not damage the dwelling unit or premises (other than damages beyond ordinary wear and tear) or permit any guest to damage the unit or premises.

   i. If the Family caused damage is life threatening, the Family will be required to correct the defect within no more than 24 hours. For other family caused defects, the Family will be required to correct the defect within no more than 30 calendar days (unless an extension is granted by KCHA).

   ii. Serious or repeated tenant caused damages may result in the termination of the Family's housing assistance payment.

u. For families in Transitional Housings, those that have failed to participate in support services required by the tenant lease addendum.

v. For VASH program participants the family may be terminated if the veteran is not participating in required case management without good cause, as determined by the Veteran's Administration (VA).

If KCHA initiates an action to **terminate** the assistance of a participant, the participant will receive written notice of this decision with a brief statement of the reasons for the decision. The notice will also state that the participant may request an Informal Hearing to contest the decision and will explain the procedures for obtaining such a Hearing. A copy of KCHA's Informal Hearing procedures will be attached to the letter. The written notice will also state the deadline for the Family to request an Informal Hearing.

The Violence Against Women Act of 2013 (VAWA 2013) protects applicants, tenants and program participants from being evicted, denied assistance or terminated from housing assistance based on acts of domestic violence, dating violence, sexual assault, or stalking against them. If the Family is claiming the reason for the termination is a result of such action the Family may be provided protection under VAWA 2013. A family seeking VAWA protections must provide KCHA with documentation (as detailed on HUD form 5380 and 5382 as applicable) regarding the actual or threatened abuse. The certification must also include the name of the perpetrator on the HUD-5382 only if it is safe to do so. While KCHA will follow HUD regulations and guidelines to ensure VAWA protections are made available to qualified households, nothing in this section limits the authority of KCHA to comply with a court order with respect to the rights of access/control of property, including civil protection orders issued to protect a victim of domestic violence, dating violence, sexual assault, or stalking, or the distribution or possession of property among members of the household. Nor does this section limit the HA's authority to evict or terminate assistance for any violation when: (1) such violation is not premised on an act of domestic violence, dating violence, sexual assault, or stalking; or (2) the HA can demonstrate an actual and imminent threat to other tenants or to those employed at or providing service to the property when no other actions that could be taken to reduce the threat have been successful including transferring the client, barring the perpetrator from the property, involving law

enforcement or seeking other legal remedies to prevent the perpetrator from acting on a threat. In addition, the HA has the right to remove or terminate the occupancy rights to any unit occupant who engages in criminal acts of violence or poses an actual or imminent threat against family members or others, without penalizing the victim of such violence.

Any Section 8 participant for which assistance is to be terminated for failure to receive a certification of eligible immigration status from the INS **must** be notified of their right to request an appeal of the results of the INS verification to the INS instead of, or in addition to, an Informal Hearing with the Housing Authority. The Notice must also inform the tenant of:

1. The reason for the proposed termination of assistance.

2. That they may be eligible for prorated assistance, continued assistance, or a temporary deferral of termination and the procedures for obtaining each.

3. The time limits and procedures to follow in order to pursue an INS and/or Housing Authority appeal and that, if the Family chooses to pursue the appeals process the tenant's assistance **cannot** be delayed, denied, reduced or terminated until all appeals are processed.

The termination of any household in a RAD unit is subject to the following additional regulations:

1. **Termination Notification.** RAD Tenants must be provided with adequate written notice of the lease, which shall be:

   a. A reasonable period of time, but not to exceed 30 days:

      i. If the health or safety of other tenants, Project Owner employees, or persons residing in the immediate vicinity of the premises is threatened; or

      ii. In the event of any drug-related or violent criminal activity or any felony conviction;

b. Not less than 30 days in the case of nonpayment of rent and in conformance with the terms of the Tenancy Addendum (HUD Form 52530c or replacement form); and

c. Not less than 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.

B. TERMINATION OF HAP CONTRACT BY KCHA

It is the general policy of KCHA to assist an owner in correcting any problems with their Project-based units in order to maintain an adequate supply of affordable housing throughout the jurisdiction of KCHA. However, there are some situations where it is in the best interest of both the Section 8 program and its participants to terminate or deny an Owner's participation. In this regard KCHA has the sole discretion of denying or restricting participation by an Owner in the following cases:

1. If HUD or any other agency directly related has informed KCHA that the Owner has been disbarred, suspended, or subject to a limited denial of participation;

2. If HUD has informed KCHA that the Federal government has instituted an administrative or judicial action against the Owner for violation of the Fair Housing Act or other Federal equal opportunity requirements;

3. If HUD has informed KCHA that a court or administrative agency has determined that the Owner has violated the Fair Housing Act or other Federal equal opportunity requirements;

4. If the Owner has committed any fraud or made any false statement to KCHA or HUD in connection with the HAP contract.

5. If the Owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing assistance program;

6. If the Owner has engaged in drug trafficking, drug related criminal activity, or any violent criminal activity;

7. If the property where the contract units are located is subject to a lien or security interest securing a HUD loan or a mortgage insured by HUD, and

    a. The Owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement, or

    b. The Owner has committed fraud, bribery or any other corrupt or criminal act in connection with the HUD loan or HUD-insured mortgage.

8. If the Owner has failed to comply with any obligation under the HAP contract for the unit in question or any other unit under contract on the Section 8, including the Owner's obligation to maintain the unit in accordance with HQS;

9. If the Owner has a history of inadequate enforcement of the lease obligations as outlined in the lease and lease addendum.

10. If the Owner refuses, or has a history of refusing, to take action against tenants (including household members and guests) who constitute a:

    a. Threat to the health or safety of, or right to peaceful enjoyment of the premises by, other tenants or employees of KCHA, an Owner, or other manager of the housing;

    b. Threat to the health or safety, or right to peaceful enjoyment of the residences by persons residing in the immediate vicinity of the premises;

    c. Threat by being involved in drug-related or violent criminal activity.

11. If the Owner has a history or practice of non-compliance of the Housing Quality Standards for units leased under the Section 8 program as described below:

    a. For serious violations involving life threatening situations, termination will occur after a maximum of three separate violations regardless whether abatement has occurred. However, depending on the severity of the violation, KCHA has the option to terminate sooner;

    b. For non-life threatening violations, termination will occur after a minimum of three notices to terminate assistance due to abatement have been issued;

    c. In all cases, except very serious life threatening situations where immediate termination is necessary, the Owner will be given an opportunity to meet with the Associate Director of Section 8 Programs and Section 8 Inspection Coordinator prior to termination in order to present the reasons why they believe they should not be denied participation on the program.

12. If the Owner has a history or practice of renting units that fail to meet State or local housing codes;

13. If the Owner has not paid State or local real estate taxes, fines or assessments;

14. If the Owner has other conflicts of interest under Federal, State or local law;

15. If KCHA determines, in accordance with HUD requirements, that funding under its consolidated Annual Contributions Contract is insufficient to support continued assistance for families in the program.

If it is determined the Owner has breached the Contract, KCHA may implement one or more of the following sanctions: recovery of overpayments, abatements or other reduction of housing assistance; termination of housing assistance; and/or termination of the HAP contract.

If a decision is made to terminate an Owner's participation on the program, no new units owned or managed by this Owner will be allowed on the program until either the problem(s) is cleared up or the termination takes place. If termination does occur, all failed units belonging to the Owner in question will be removed from the program and KCHA will not allow any new units from the same Owner for a minimum of 12 months. After 12 months, the Owner may appeal reinstatement to KCHA and provide documentation detailing what has been done to remedy the situation and to prevent it from occurring in the future. Any reinstatement shall be at the sole discretion of KCHA. Current tenants of the failed units will be offered an equitable Project-based unit elsewhere or, if not available, issued a Tenant-based voucher and asked to find another unit within sixty (60) days except in cases of serious life threatening violations where they will be asked to move immediately pending unit termination.

If the Housing Authority makes a decision NOT to terminate an Owner's participation but concludes the situation is serious enough to warrant termination and believes there is a high chance of reoccurrence, restrictions on future new housings may occur for a specified time to ensure continued program compliance.

While an internal review process is not available to an Owner being denied program participation, any Owner so affected will be given an opportunity to meet with the Section 8 Program Coordinator or designee.

C. TERMINATION OF TENANCY BY THE OWNER

During the initial term of the lease, the Owner may not terminate the tenancy except on the following grounds:

1. Material noncompliance with the lease; or

2. Material failure to carry out obligations under any State landlord and tenant act; or

3. Other good cause (does not include a business of economic reason or desire to use the unit for an individual, family, or non-residential rental purpose).

In the case of a supportive housing where a tenant is required to participate in supportive services, this requirement must be part of the lease. If the participant fails to participate in services as certified by the service provider, the Owner must follow landlord-tenant law by issuing a notice of noncompliance.

Upon lease expiration, an Owner may:

1. Renew the lease;

2. Refuse to renew the lease for good cause; or

3. Refuse to renew the lease without good cause, in which case KCHA will either terminate the HAP Contract with the Owner or reduce the contract by one unit for each refusal.

Note: A family is not responsible for payment of the portion of the rent to owner covered by the housing assistance payment and failure by KCHA to pay the HAP to the Owner is not a violation of the lease between the tenant and the Owner and is not a cause for termination of tenancy.

The Owner must give the tenant a written notice, with a copy to KCHA, which specifies the grounds for termination of tenancy. This notice must be given at or before commencement of eviction action and the tenancy does not terminate before the Owner has given this notice.

KCHA's Section 8 Department does not authorize eviction actions nor determine whether an Owner has good cause for termination of a tenancy (as required by the Lease), but termination must be made in accordance with the lease and State and local law.

Housing Assistance payments are paid to the Owner in accordance with the terms of the HAP contract. These payments may only be paid to the Owner during the lease term, and while the Family is residing in the unit. However, if the Owner has commenced the process to evict the tenant, and if the Family continues to reside in the unit, KCHA will continue to make housing assistance payments to the Owner in accordance with the HAP contract until the Owner has obtained a court judgment or other process allowing the Owner to evict the Tenant. KCHA will continue such payments until the Family moves from or is evicted from the unit.

D. TERMINATION OF THE HAP CONTRACT BY THE OWNER

The Owner may terminate the HAP contract upon notice to KCHA if the amount of the rent to owner on any contract unit is adjusted below the initial rent or at the end of the term of the Housing Assistance Payments Contract.

E. TERMINATION OF TENANCY BY FAMILY

The Family may terminate the lease without cause at any time after the first year of the term the lease in accordance with Landlord-Tenant Law. Termination of tenancy by the Family will remove the Family from the Project-based program. Except in the following case(s), families terminating their Project-based lease will not be eligible for continued rental assistance. [87]

[87] Approved MTW Policy Section V.7

- For former Public Housing units converting to Project-based assistance, families will have the option of early release from their unit and receiving a Tenant-based voucher if they give notice to move from their Project-based unit within the first six months of their Project-based conversion and are in currently in compliance with their Section 8 responsibilities. Families will have up to the end of the first 12 months to move from their unit.[88]

[88] Approved under MTW 4/11/12

24: INFORMAL REVIEW AND HEARING PROCEDURES

A. INFORMAL REVIEW PROCEDURES FOR PROJECT-BASED APPLICANTS

1. When Assistance is Denied:

KCHA will give prompt written notice to an applicant of a decision denying assistance, including a decision denying:

a. Listing on the Project-based waiting list; or

b. Participation on the Project-based assistance program.

The notice will contain a brief written statement of the reasons for the denial and will give an applicant an opportunity to request an informal review of a KCHA decision to deny assistance by contacting the Section 8 office within ten (10) days of the date of the written notice.

2. KCHA Procedure for Conducting the Review is as Follows:

a. The review will be conducted by a person designated by KCHA other than a person who made or approved the decision under review or a subordinate of such person.

b. The person conducting the review will have sole responsibility for regulating the conduct of the review.

c. The applicant will be given the opportunity to present written or oral objections to a KCHA decision.

d. If either the Family or KCHA fail to appear at the time scheduled for the review, the hearing officer may determine that the non-appearing party has waived the right to a review or may postpone the review for a period not to exceed five (5) days.

e. Both the Family and KCHA may have a maximum of three (3) other persons in attendance at the informal review. Because of the serious nature of the review process, children will not be allowed in the review room unless they are serving as a witness. Families are responsible for arranging for necessary childcare.

f. Evidence will be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. All reviews shall be conducted informally and both oral and documentary evidence pertinent to the facts and issues raised may be received. The challenges to the admissibility of evidence shall be determined solely by the hearing officer.

g. KCHA will notify the applicant in writing of its final decision after the informal review, including a brief statement of the reasons for the final decision within 10 business days following the informal review.

3. **KCHA is not required to provide an opportunity for an informal review in the following situations:**

   a. To review discretionary administrative determinations by KCHA or to consider general policy issues or class grievances;

   b. To review KCHA's determination of the Family unit size under KCHA subsidy standards;

   c. To review KCHA's determination not to grant approval to lease a unit under the program or to approve a proposed lease;

   d. To review KCHA's determination that the unit is not in accordance with HQS because of the Family size or composition; or

   e. To review a decision against the Family by the project owner.

4. **Denials Due to Immigration Status**

   Families denied assistance as a result of their immigration status will be informed of their right to request an appeal of the results of the *INS* verification to the INS or request an Informal Review with the Housing Authority (in lieu/upon completion of the INS appeal). The notice will also inform the applicant:

   a. Of the reason for the denial;

   b. That they may be eligible for proration of assistance based on the number of family members with "eligible immigration status";

   c. Of the time limits and procedures that must be followed when requesting an appeal to the INS and/or Housing Authority;

   d. That assistance may not be delayed, denied or reduced until the conclusion of the INS appeal process, but, that assistance may be delayed while awaiting the outcome of the Housing Authority's Informal Review process.

B. INFORMAL HEARING PROCEDURES FOR PROJECT-BASED PARTICIPANTS (EXCEPT FOR GREENBRIDGE AND KCHA MANAGED PROPERTIES)

1. KCHA **will provide** a participant in its Section 8 Project-based Assistance Program an opportunity for an Informal Hearing to consider whether decisions relating to the

individual circumstances of the Family are in accordance with the law, HUD regulations and/or policies, in the following cases:

a. A determination of the Family's annual or adjusted income, and the use of such income to compute the housing assistance payment;

b. A determination of the appropriate utility allowance (if any) for tenant-paid utilities from KCHA's utility allowance schedule;

c. A determination of the Family unit size under KCHA subsidy standards;

d. A determination that a program participant family is residing in a unit with a larger number of bedrooms than appropriate for the Family unit size under KCHA subsidy standards, or KCHA's determination to deny the Family's request for an exception from the standards;

e. A determination to terminate assistance for a participant family because of the Family's violation of its responsibilities under program rules;

f. A determination to terminate assistance because the participant family fails to provide evidence of citizenship and eligible immigration status, or provides the evidence, but the INS fails to certify the Family is eligible for housing assistance.

2. In those cases described in numbers 1.d, e, and f, KCHA will issue a prompt written notice to the Family stating the reason for the decision, that the Family has the right to request an informal hearing on the decision if they do not agree by personally presenting such request (either orally or in writing) to the Section 8 office within ten (10) days of the date of the notice to the Family. In addition, any family being terminated for reason 1.f. must be notified of their right to request an appeal of the results of the INS verification to the INS instead of, or in addition to, an Informal hearing with the Housing Authority. The Notice must also inform the tenant of:

   a. The reason for the proposed termination of assistance;

   b. That they may be eligible for prorated assistance, continued assistance, or a temporary deferral of termination and the procedures for obtaining each;

   c. The time limits and procedures to follow in order to pursue an INS and/or Housing Authority appeal and that, if the Family chooses to pursue the appeals process the tenant's occupancy cannot be terminated until all appeals are processed.

   In those cases described in numbers 1.a, b, and c above, KCHA will notify the Family that they may ask for an explanation of the basis of the HA determination. If the Family does not agree with the determination, the Family will be notified they may request an informal hearing on the decision by personally requesting (either orally

or in writing) an informal hearing on the determination from the Section 8 office. The request must be made within ten (10) days of the date the Family received an explanation of the basis for the HA determination.

3. KCHA is not required to provide a participant family an opportunity for an informal hearing in the following cases:

    a. To review discretionary administrative determinations by KCHA or to consider general policy issues or class grievances;

    b. To review establishment of KCHA's schedule of utility allowances for families under the program;

    c. To review KCHA's determination not to approve a lease;

    d. To review KCHA's determination that the unit is not in accordance with HQS because of the Family size or composition;

    e. To review a determination by KCHA to exercise or not to exercise any right or remedy against the Owner under the HAP contract; or

    f. To review a decision against the Family by the project owner.

4. The informal hearing will be scheduled by the Hearing Officer no sooner than seven (7) days, but not later than fifteen (15) days after the receipt by the Section 8 office of the request for the informal hearing.

5. The procedures for conducting the informal hearing are as follows:

    a. The Hearing Officer will be selected from a list of qualified individuals established by the Housing Authority in response to an advertised request for services. The Housing Authority's list of Hearing Officers will be presented to the Resident Advisory Board for their review and comment. Individuals selected for this list of Hearing Officers need not be legal professionals, but must be able to show sufficient experience and training in the areas of Housing Authority regulations and Landlord Tenant law as well as proven experience in effectively communicating findings and conclusions both orally and in writing.

    b. Prior to KCHA's informal hearing, the Family will be given the opportunity to examine any HA documents at KCHA's office (including records and regulations) that are directly relevant to the hearing. The Family will be allowed to copy any such document at the Family's expense. Any document not made available to family prior to the hearing cannot be relied upon at the hearing.

    c. KCHA must be given the opportunity to examine at the HA office prior to the informal hearing, any family documents that are directly relevant to the hearing.

KCHA must be allowed to copy any such document at KCHA's expense. Any document not made available to KCHA prior to the hearing cannot be relied upon at the hearing.

d. The Family may be represented by a lawyer or other representative at its own expense.

e. If either the Family or KCHA fail to appear at the time scheduled for the hearing, or attempts to reschedule the hearing with less than 24 hours' notice, the hearing officer may determine that the Family has waived the right to a hearing or may postpone the hearing for a period not to exceed five (5) days. In making the determination, the hearing officer must consider documented emergencies (i.e., medical reasons, car accident, etc.) that would limit the client's ability to reschedule in a timely manner.

f. The person conducting the hearing will have sole responsibility for regulating the conduct of the review. Failure to comply with the directions of the hearing officer may result in exclusion from the proceedings, in a decision adverse to the interests of the disorderly party, or in such other relief as the hearing officer shall reasonably determine.

g. Both the Family and KCHA may have a maximum of three (3) other persons in attendance at the informal hearing. Because of the serious nature of the hearing process, children will not be allowed in the hearing room unless they are serving as a witness. Families are responsible for arranging for necessary childcare.

h. Both KCHA and the Family will be given the opportunity to present evidence, and may question any witness.

i. Evidence will be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. All hearings shall be conducted informally and both oral and documentary evidence pertinent to the facts and issues raised may be received. The challenges to the admissibility of evidence shall be determined solely by the hearing officer.

6. The hearing officer will notify the Family in writing of the HA final decision within ten (10) business days following the informal hearing, including a brief statement of the reasons for the final decision. Factual determinations relating to the individual circumstances of the Family shall be based on a preponderance of evidence presented at the hearing.

7. The hearing officer's decision shall be binding on KCHA unless:

a. The decision concerns a matter for which KCHA is not required to provide an opportunity for an informal hearing, or otherwise exceeds the authority of the hearing officer under the HA hearing procedures;

b. The decision is contrary to HUD regulations or requirements, or otherwise contrary to Federal, State, or local law.

8. If KCHA is not bound by a hearing decision, KCHA will promptly notify the Family of the determination and the reasons for the determination.

C. INFORMAL HEARING PROCEDURES FOR A PROJECT-BASED RESIDENT (GREENBRIDGE AND KCHA MANAGED PROPERTIES)

This procedure shall be applicable to all individual Tenant Grievances, except as stated below:

- The Grievance Procedure shall not be applicable to disputes between Tenants or to class grievances against the Housing Authority.
- The Grievance Procedure is not be used as a forum for initiating, negotiating, or reviewing policies established by the Housing Authority Board of Commissioners.

For tenants at a property converted under the RAD program, the following additional reasons will be considered for an informal hearing:

- any dispute that a resident may have with respect to a Project Owner action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status. These hearings may perform the hearing, consistent with HUD PIH Notice 2019-09.

1. **Informal Settlement of Grievance**

Any Grievance shall first be presented, either orally or in writing, to the Property Management office so that the Grievance may be discussed informally by the Complainant and the Manager and settled, if possible, without a hearing. All Grievances must be presented to the office within ten (10) business days of the date of the receipt of the notice of the Housing Authority's proposed adverse action (or of the date of the Housing Authority's alleged failure to act), except in the case of a 14-day notice for termination of a tenancy for nonpayment of rent or a 3-day notice for any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the Housing Authority, or a 3-day notice for any drug-related criminal activity in which event the Grievance must be presented within three (3) business days of the receipt of the notice to forestall service of a Summons and Complaint. Failure to request the

informal review with the Manager within the above time limits will result in the Complainant forfeiting any further rights to have their grievance heard within the internal grievance procedure. However, if the Complainant establishes to the satisfaction of the Hearing Officer that the failure to comply with this requirement was for good cause the Hearing Officer may elect to proceed with a formal grievance hearing.

The Complainant and the Manager shall attempt to resolve the complaint or dispute at this informal discussion. The Complainant and the Manager may each have a maximum of three (3) other persons in attendance at the informal discussion. After the meeting, the Manager shall write a detailed account of the meeting, shall send the original account to the Tenant with a copy to the Tenant's representative, if requested, and place a copy in the Tenant's file. This account of the proceedings, along with a copy of the Grievance Procedure shall be sent to the Complainant within three (3) business days after the meeting. The procedures for obtaining the formal grievance hearing are set forth in Section C.2 below.

2. **Procedure to Obtain a Hearing**

a. **Request for a Hearing**

The Complainant must submit a written request for a hearing to the Property Management Office within five (5) business days after the receipt of the Manager's account of proceedings prepared pursuant to Section C.1 above. Receipt is defined as the earlier date of actual delivery to a member or tenant household, <u>or</u> eight (8) days from the date of proper mailing (properly addressed, postage prepaid) of the Manager's account of the proceedings. The written request shall specify: (1) the Grievance; (2) the reasons for the Grievance; and (3) the action or relief sought. The Tenant's request for a grievance hearing will be dated immediately upon receipt at the appropriate Area Office and filed with a copy of the account of the informal discussion and a copy of the letter to the Tenant in the Tenant's file. After the hearing is completed, a copy of these documents, along with the written decision of the Hearing Officer, will be placed in a separate grievance hearing file marked with the date of hearing. All names and identifying references shall be deleted from said file.

b. **Failure to Request a Hearing**

If the Complainant does not request a hearing in the manner provided in Subsection C.2.a above, the Housing Authority's disposition of the Grievance under Section C.1 shall become final; provided, however, that the failure to request a hearing shall not constitute a waiver by the Complainant of the right thereafter to contest the Housing Authority's action in disposing of the complaint in an appropriate judicial proceeding.

c. **Amounts Owing**

No grievance hearing may be scheduled on any grievance involving rent which the Housing Authority claims is past due until the Complainant pays to the Housing Authority an amount equal to the undisputed part of the rent that is the subject of the dispute. If a grievance does not involve rent, payment of the rent must be made in the normal manner without regard to the pending grievance hearing. In all cases, the undisputed portion of the rent must remain current until the decision of the Hearing Officer is announced and the Tenant shall be obligated to continue paying rent until the rented premises are vacated as set forth in the Tenant's lease with the Housing Authority.

d. **Scheduling of Hearings**

When the Tenant has satisfied the requirements of Subsections 'a' and 'c' of this Section, a hearing shall be scheduled by the Hearing Officer no sooner than seven (7) calendar days but no later than fifteen (15) business days after receipt by the Area Office of the request for hearing specified in Section C.2.a above, the time and place of the hearing to be convenient both to the Complainant and to the Housing Authority. Extension of this time limit shall be agreed to in writing by both parties. The Tenant and the Housing Authority shall be given written notice of the time, the place and the procedures governing the hearing, such notices to be delivered to both the Housing Authority and to the Tenant personally, or sent by first-class mail, postage prepaid, properly addressed to the Housing Authority Office and to the Tenant at the premises.

3. **Selection of Hearing Officer**

a. For grievances involving a charge under $100, the Hearing Officer will be an impartial employee of the Housing Authority who was not involved in the original decision.

b. For all other grievances, the Hearing Officer shall be an impartial person who shall not be an officer, employee, agent, or tenant of the Housing Authority. In these cases, the following applies:

i. The Hearing Officer shall be selected from a list of qualified individuals established by the Housing Authority in response to a request for services bid proposal.

ii. The Housing Authority reserves the right to pay the Hearing Officer a stipend for his/her services and to provide training on such areas as the grievance procedure, dwelling lease requirements, and other related policies.

4. Accommodation of Persons with Disabilities

a. At any time during the Grievance process, a Complainant may request reasonable accommodation of a handicap/disability of a household member, including reasonable accommodation so that the Complainant can meet lease requirements or other requirements of tenancy.

b. The Housing Authority shall provide reasonable accommodations for persons with disabilities to participate in the Grievance process. Reasonable accommodation may include: qualified sign language interpretation, readers, and accessible locations.

c. If the Complainant is visually impaired, any notice to the Complainant which is required as part of the Grievance procedure shall be in an accessible format.

5. Procedures Governing the Hearing

a. The Complainant shall be afforded a fair hearing providing the basic safeguards of due process which shall include:

i. The opportunity to examine before and during the hearing and, at the expense of the Complainant, to copy all documents, records and regulations of the Housing Authority directly relevant to the grievance hearing. Any document not identified and made available to the Complainant upon reasonable request may not be used by the Housing Authority at the hearing;

ii. The right to be represented by counsel or any other person designated by Complainant as Complainant's representative, and to have such person make statements on the Complainant's behalf;

iii. The right to a private hearing unless the Complainant requests a public hearing;

iv. The right to present evidence and argue in support of the complaint, to contest evidence or information relied on by the Housing Authority and to confront or cross examine all witnesses upon whose testimony or information the Housing Authority relies; and

v. A written decision based solely and exclusively upon the facts presented at the hearing and that includes a statement of the reasons for the determination.

b. The Hearing Officer may render a decision without proceeding with the hearing if the Hearing Officer determines that the issue raised by the Grievance has been the subject of a decision in a previous proceeding which provided the Complainant procedural safeguards at least equal to those required herein.

c. If either the Complainant or the Housing Authority fails to appear at a scheduled hearing, the Hearing Officer may continue the hearing for a period not to exceed five (5) business days for documented good cause or may determine that the non-appearing party has waived the right to a hearing. Both the Complainant and the Housing Authority shall be notified of the decision of the Hearing Officer; provided, however, that a determination that the Complainant has waived the right to a hearing shall not constitute a waiver of any right the Complainant may have to contest the Housing Authority's disposition of the Grievance in an appropriate judicial proceeding.

d. At the hearing, the Housing Authority shall present its reason for taking or failing to take the action that is in dispute followed by the Tenant's explanation for why he or she thinks that the Housing Authority action or failure to act was incorrect.

e. All hearings shall be conducted informally by the Hearing Officer, and both oral and documentary evidence pertinent to the facts and issues raised by the Grievance may be received without regard to whether such evidence would be admissible under the rules of evidence applicable to judicial proceedings. Irrelevant and unduly repetitive evidence shall be excluded. Challenges to the admissibility of evidence shall be determined solely by the Hearing Officer in its reasonable discretion. The Hearing Officer shall require the Complainant, the Housing Authority, counsel and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the Hearing Officer may result in exclusion from the proceedings, in a decision adverse to the interests of the disorderly party or in such other relief as the Hearing Officer shall reasonably determine.

f. The Complainant or Housing Authority may arrange in advance and at the expense of the party making the arrangement, for the reporting or recording of all or any part of the proceedings at a hearing. If proceedings at a hearing are reported or recorded, the record so made shall be made reasonably available to either party with the expense of reviewing or copying the record of a hearing to be paid by the party requesting the review or copy.

5. Decision of the Hearing Officer

a. The Hearing Officer shall prepare a written decision, stating the findings of fact and conclusions upon which the result is based, within a reasonable time after the hearing, but not exceeding ten (10) business days. A copy of the decision shall be sent to the Complainant and to the Housing Authority in the same manner as in Section C.2. The Housing Authority shall retain a copy of the decision in the Tenant's folder. A copy of such decision with all names and identifying references deleted may also be kept in a file maintained by the Housing Authority and made available for inspection by prospective Complainants, their representatives, or by subsequently appointed Hearing Officers.

b. The decision of the Hearing Officer shall be binding on the Housing Authority which shall take all actions, or refrain from any actions, necessary to carry out the decision unless the Housing Authority's Board of Commissioners determines within a reasonable time, not to exceed thirty (30) days, and promptly notifies the Complainant in writing of its determination, that:

1. The Grievance does not concern the Housing Authority's action or failure to act in accordance with or involving the Complainant's lease or Housing Authority regulations, in a way which adversely affected the Complainant's rights, duties, welfare or status;

2. The decision of the Hearing Officer is contrary to Federal, State, or local laws, to the United States Housing Act of 1937, as amended, to Department of Housing and Urban Development regulations and requirements, to the Housing Authority's regulations and policies, or to the Annual Contributions Contract in effect on the date of the hearing.

c. A decision by a Hearing Officer in favor of the Housing Authority, or which denies the relief requested by the Complainant in whole or in part, or a determination by the Housing Authority Board of Commissioners under Subsection 6.b., paragraphs i. and ii. shall not constitute a waiver of, nor affect in any manner whatever, any rights the Complainant may have to a trial de novo or judicial review in any judicial proceedings, which may thereafter be brought in the matter.

6. Proposed Adverse Actions/Eviction Actions

a. In the case of proposed adverse actions other than a proposed lease termination, the Housing Authority shall not take the proposed action until the time for the Tenant to request a grievance hearing has expired, and (if a hearing was timely requested by the Tenant) the grievance process has been completed.

b. If the Grievance involves a Housing Authority notice of termination of tenancy (including any concurrently served notice to vacate required under State or local law), the tenancy shall not terminate until the time for the Tenant to request a grievance hearing has expired, and (if a hearing was timely requested by the Tenant) the grievance process has been completed.

c. After completion of the grievance procedure, an unlawful detainer action will commence if the Tenant does not voluntarily vacate in accordance with the decision of the Hearing Officer.

D. INFORMAL HEARING PROCEDURES FOR AN OWNER

1. The Housing Authority will provide an owner in the Project-based Program an opportunity for an informal review to consider whether decisions relating to the individual circumstances of the Owner are in accordance with the law, HUD Regulations, the HA MTW Agreement, and/or other policies in the following cases:

    a. To review KCHA's determination that a unit is not in compliance with HQS;

    b. To dispute a rent reasonableness determination made by KCHA; or

    c. To dispute a denial of participation in the Section 8 program.

2. Owners wishing to dispute one of the above reasons must request a review of the determination in writing, making reference to the specific problem they wish reviewed. A time will be scheduled with a Section 8 supervisor who was not a party to the original decision within ten (10) days of the request. The review, depending on the request can be performed either by telephone or in a meeting at the Section 8 office with all parties present.

3. Utilizing either method, the Owner shall have the right to submit any documentation they believe should be considered in making a decision. After all items have been discussed, the Owner will receive a written response from KCHA within ten (10) business days of the review detailing the final determination and the reasoning behind the decision.

4. If the Owner is not satisfied with the decision, they may request, in writing, that the Section 8 Program Coordinator review the information. No formal meeting will be held. The response of the Section 8 Program Coordinator is final and will be issued within (10) business days of the request.

25: EXHIBIT A- INCOME INCLUSIONS

A. Annual income means all amounts, monetary or not, that:

1. Go to (or on behalf of) the Family head or spouse (even if temporarily absent) or to any other family member, or

2. Are anticipated to be received from a source outside the Family during the 12-month period following admission or annual examination effective date; and

In both cases, Annual Income does not include amounts that are specifically excluded as described in Exhibit B of this policy.

B. Income includes, but is not limited to, the following:

1. The full amount of employment income (wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services) of all household members[89] (Except as excluded by Exhibit B). Income arising from work as a day laborer, seasonal worker or independent contractor is included as a source of employment income.

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

3. Where a Family has total Assets which value $50,000[90] or more, Annual Income shall include: Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in paragraph 2 of this Exhibit. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the Family. Annual Income shall include the greater of the actual income derived from all Net Family Assets or a

[89] Approved under MTW 11/1/10
[90] Approved under MTW 5/14/07

percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.

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 a lump-sum payment for the delayed start of a periodic payment (except lump sum payment of deferred SSI and Social Security benefits). (See Paragraph 13 of Exhibit B).

5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (except lump sum amounts as listed under Paragraph 3 of Exhibit B).

6. Welfare Assistance.

   a. The actual amount of the TANF benefit paid to the Family each month, or

   b. The Imputed Welfare Income, ***if the TANF amount has been reduced due to Fraud or Non-compliance with TANF requirements.*** Imputed Welfare Income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction due to fraud or noncompliance with TANF requirements that is, nonetheless, included in the Family's annual income for purposes of determining rent. (See Exhibit C.I.(J). for clarification on Imputed Welfare Income).

7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.

8. All regular pay, special pay and allowances of a member of the Armed Forces (See Paragraph 7 of Exhibit B).

26: EXHIBIT B - INCOME EXCLUSIONS

1. Income from employment of household members other than family head, spouse or co-tenant under the age of 21 years[91].

2. Payments received for the care of foster children, or foster adults (usually individuals with disabilities, unrelated to the tenant family, who are unable to live alone). These amounts include State or Tribal kinship or guardianship care payments.

3. Lump-sum additions to family assets, such as inheritances, insurance payments, (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal property losses (except as provided under Paragraph B.5 of Exhibit A).

4. Amounts received by the family that is specifically, for or in reimbursement of, the cost of medical expenses for any family member.

5. Income of a Live-In Aide, foster child or foster adult as defined.

6. The full amount of student financial assistance paid directly to the student or to the educational institution. Loan proceeds are not considered income. [92]

7. Income and distributions from any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under section 529 of such Code; and income earned by government contributions to, and distributions from, “baby bond” accounts created, authorized, or funded by Federal, State, or local government.

8. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

9. Income from Assets when the total value of assets held by the Family is less than $50,000.[93]

10. The amounts received from the following programs:

    a. Amounts received under training programs funded by HUD or other qualifying training program funded in whole or in part through Federal, State or local government sources. (See Exhibit C for additional information).

---

[91] Approved under MTW 11/1/10
[92] MTW Activities 2008-10 and 2008-11
[93] Approved under MTW 5/14/07

b. Amounts received by a Person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).

c. Amounts received by a participant in other publicly assisted 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. Among the programs to which this applies are the Community Work Experience and Employment School Program. This provision would also apply to amount received to cover transportation costs of a Volunteer Firefighter.

d. A resident service stipend (not to exceed an average of $781.50 per month[94]) received by a resident for performing a service for the owner (HA) or participating in activities, on a part-time basis, that enhances the quality of life in the development and/or increase the economic self-sufficiency of the resident through education and training. As determined by the HA, services may include, but are not limited to, laundry room attendant, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination and serving as a member of the Housing Authority Board of Commissioners. No resident may receive more than one such stipend during the same period of time. The maximum amount payable as a resident service stipend and excluded from income will be reviewed annually and adjusted to reflect any COLA increase approved for KCHA administrative staff beginning with the first full pay period of November 2024.

e. Participants receiving services through the COPES program **AND** living in a COPES assisted unit receiving Project-based assistance shall have all income excluded.[95]

11. Non-recurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under this paragraph, even if the source, date, or amount of the income varies. Nonrecurring income includes:
    a. Payments from the U.S. Census Bureau for employment (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not culminating in permanent employment.
    b. Direct Federal or State payments intended for economic stimulus or recovery.
    c. Amounts directly received by the family as a result of State refundable tax credits or State tax refunds at the time they are received.
    d. Amounts directly received by the family as a result of Federal refundable tax credits and Federal tax refunds at the time they are received.

---

[94] Approved under MTW 12/1/08 and 9/25/23
[95] Approved under MTW 4/13/16

e. Gifts for holidays, birthdays, or other significant life events or milestones (*e.g.,* wedding gifts, baby showers, anniversaries).
f. Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization.
g. Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings.

12. Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance, and workers' compensation.

13. Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled.

14. Civil rights settlements or judgments, including settlements or judgments for back pay.

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

16. Adoption assistance payments.

17. Deferred periodic payments of supplemental security income (SSI) and Social Security benefits that are received in a lump sum payment or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.

18. Payments related to aid and attendance under 38 U.S.C. 1521 to veterans in need of regular aid and attendance.

19. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.

20. Payments made by or authorized by a State Medicaid agency (including through a managed care entity) or other State or Federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit. Authorized payments may include payments to a member of the assisted family for caregiving services the family member provides to enable a family member who has a disability to reside in the family's assisted unit.

21. Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g., proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car).

22. Payments received by Tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such payments are also excluded from gross income under the Internal Revenue Code or other Federal law.

23. Replacement housing "gap" payments made in accordance with 49 CFR part 24 that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to another Federally subsidized housing unit. Such replacement housing "gap" payments are not excluded from annual income if the increased cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing "gap" payments.

24. Income earned on amounts placed in a family's Family Self Sufficiency Account.

25. Payments made by a State Agency to a landlord to assist Section 8 participants with disabilities living in shared residential settings in obtaining or maintaining housing at an affordable level. This exclusion will not be applied if DSHS or other governmental entity reduces the household's income in order to provide this contribution.[96]

26. The following types of trust distributions:
    a. For a trust held outside of the control of the family:
        i. Distributions from the principle or corpus of the trust and
        ii. Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.
    b. For a trust held under the control of the family, any distributions from the trust. Any actual income earned by the trust shall be counted as income, per Exhibit C of this plan.

27. Amounts that HUD is required by Federal statute to exclude 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. As described in 24 CFR 5.609(b)(22) HUD will publish notice in the Federal Register to identify and update benefits that qualify for this exclusion when necessary. Items listed below are those most recently listed by HUD as of January 30, 2024.

    a. The value of the allotment provided to an eligible household, regardless of the form of the allotment, under the Food Stamp Act of 1977 (7 U.S.C. 2017 [b]). This exclusion also applies to assets.

    b. Payments, including for supportive services and reimbursement of out-of-pocket expenses, for volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(f), 42 U.S.C. 5058) are excluded from income except that the exclusion

[96] Approved under MTW 8/3/05

shall not apply in the case of such payments when the Chief Executive Officer of the Corporation for Nationals and Community Service appointed under 42 U.S.C. 12651c determines that the value of all such payments, adjusted to reflect the number of hours such volunteers are serving, is equivalent to or great than the minimum wage in effect under the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) or the minimum wage, under the laws of the State where such volunteers are serving, whichever is the greatest (42 U.S.C. 5044 (f)(1)). This exclusion also applies to assets.

c. Certain payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c)). This exclusion also applies to assets.

d. Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C5506). This exclusion also applies to assets.

e. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f)(1)). This exclusion also applies to assets.

f. Income derived from the disposition of funds of the Grand River Band of Ottowa Indians (Pub. L.94-540, section 6;). This exclusion also applies to assets.

g. The first $2,000 of per capita shares received from judgment funds awarded by the National Indian Gaming Commission or the U.S. Court of Claims, the interests of individual Indians in trust or restricted lands, and the first $2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands. This exclusion does not include proceeds of gaming operations regulated by the Commission (25 U.S.C. 1407-1408). This exclusion also applies to assets.

h. Amounts of student financial assistance funded under Title IV of the Higher Education Act of 1965 (20 U.S.C. 1070), including awards under the Federal work study Program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs <u>only (42 U.S.C. 1437f)</u>, the law requires that the amount of financial assistance in excess of tuition and other required fees and charges shall be considered income except for those persons over the age of 23 with dependent children (Pub. L. 109-115, section 327) (as amended).

i. Payments received from programs funded under Title V of the Older Americans Act of 1965 (42 U.S.C. 3056g).

j. Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.). This exclusion also applies to assets.

k. Payments received under the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96-420, 94 Stat 1785). This exclusion also applies to assets.

l. The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. sec. 9858q).

m. Any earned income tax credit received on or after January 1, 1991 (26 U.S.C. 32 (j). This exclusion also applies to assets.

n. The amount of any refund (or advance payment with respect to a refundable credit) issued under the Internal Revenue Code is excluded from income and assets for a period of 12 months from receipt (26 U.S.C. 6409).

o. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433 section 2). This exclusion also applies to assets.

p. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d)).

q. Any allowance paid to children of Vietnam veterans born with spina bifida (38 U.S.C. 1802-05) children of women Vietnam veterans born with certain birth defects (38 U.S.C. 1811-16), and children of certain Korean and Thailand service veterans born with spina bifida (38 U.S.C. 1821-22) is excluded from income and assets (38 U.S.C. 1833(c)).

r. Any amount of crime victim compensation that provides medical or other assistance (or payment or reimbursement of the cost of such assistance) under the Victims of Crime Act of 1984 received through a crime victim assistance program, unless the total amount of assistance that the applicant receives from all such programs is sufficient to fully compensate the applicant for losses suffered as a result of the crime (34 U.S.C. 20102 (c)). This exclusion also applies to assets.

s. Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 reauthorized as the Workforce Innovation and Opportunity Act of 2014 (29 U.S.C. 3241(a)(2)).

t. Any amount received under the Richard B. Russell School Lunch Act (42 U.S.C. 1760(e)) and the Child Nutrition Act of 1966 (42 USC 1780(b)), including reduced-price lunches and food under the Special Supplemental Food Program for Women, Infants, and Children (WIC). This exclusion also applies to assets.

u. Payments, funds or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 Pub. L. 101-503 section 8(b)). This exclusion also applies to assets.

v. Payments from any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts (42 USC 1437a(b)(4)).

w. Any amounts (i) not received by the family, (ii) that would be eligible for exclusion under 42 U.S.C. §1382b(a)(7), and (iii) received for service-connected disability under 38 U.S.C. chapter 11 or dependency and indemnity compensation under 38 U.S.C. chapter 13 as provided by an amendment by the Indian Veterans Housing Opportunity Act of 2010 to the definition of income applicable to programs under the Native American Housing Assistance and Self Determination Act (NAHASDA).

x. A lump sum or a periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the case entitled Elouise Coball et al. v. Ken Salazar et al., 816 F.Supp.2d 10 (Oct. 5, 2011 D.D.C), for a period of one year from the time of receipt of that payment as provided in the Claims Resolution act of 2010 (Pub. L. 111-291 section 101(f)(2)). This exclusion also applies to assets.

y. Any amounts in an “individual development account” are excluded from assets and any assistance, benefit or amounts earned by or provided to the individual development account are excluded from income as provided by the Assets for Independence Act, as amended (42 U.S.C. 604(h)(4)).

z. Per capita payments made from the proceeds of Indian Tribal Trust Settlements listed in IRS Notice 2013-1 and 2013-55 must be excluded from annual income unless the per capita payments exceed the amounts of the original Tribal Trust Settlement proceeds and are made from a Tribe’s private bank account in which the Tribe has deposited the settlement proceeds. Such amounts received in excess of the Tribal Trust Settlement are included in the gross income of the members of the Tribe receiving the per capita payments as described in IRS Notice 2013-1. The first $2,000 of per capita payments are also excluded from assets unless the per capita payments exceed the amount of the original Tribal Trust Settlement proceeds and are made from a Tribe’s private bank account in which the Tribe has deposited the settlement proceeds (25 U.S.C. 117b(a), 25 U.S.C. 1407).

aa. Federal assistance for a major disaster or emergency received by individuals and families under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 93-288, as amended) and comparable disaster assistance provided by States, local government, and disaster assistance organizations (42 U.S.C. 5155(d)). This exclusion also applies to assets.

bb. Any amount in an Achieving Better Life Experience (ABLE) account, distributions from and certain contributions to an ABLE account established under the ABLE Act of 2014 (Pub. L. 113-295), as described in Notice PIH 2019-09 or subsequent or superseding notice is excluded from income and assets.

cc. Assistance received by a household under the Emergency Rental Assistance Program pursuant to the Consolidated Appropriations Act, 2021 (Pub. L. 116-260, section 501 (j)) and the American Rescue Plan Act of 2021 (Pub. L. 117-2 section 3201). This exclusion also applies to assets.

dd. VASH only: For income eligibility purposes, VA service-connected disability payments. These payments will still be included when calculating rent.

27: EXHIBIT C- CLARIFICATIONS ON INCOME, ASSETS AND ALLOWANCES

I. ANNUAL INCOME

A. General Rule

Annual Income is the gross income anticipated to be received by the Family from all sources during the 12 months following the effective date of admission or reexamination. (See Exhibits A and B of this policy for the listing of income inclusions and exclusions.)

To compute the Annual Income, the HA will:

1. Use current family circumstances to anticipate income unless the verification forms indicate an imminent change.

2. Annualize all income, including income that may not last the full 12 months (such as unemployment benefits). When circumstances change, an Interim or Special Reexamination may be processed.

To annualize full-employment, the HA will multiply:

1. Hourly wages by 2080

2. Weekly wages by 52

3. Bi-weekly wages by 26

4. Semi-monthly wages by 24

5. Monthly amounts by 12

B. Non-wage Income [97]

Count any benefit income or other non-earned income (TANF, SSI, Social Security, unemployment benefits, etc.) paid to or on behalf of household members, including minors – unless the income is from a source specifically excluded under Exhibit B. However, DO NOT prorate income from Social Security or SSI due to receipt of Cost-of-Living adjustments that are anticipated to be received in the following year. Cost-of-Living adjustments to Social Security or SSI are only to be applied to Recertifications effective January 1st of any given year.

[97] Approved under MTW 11/1/10

C. **Employment Income**[98]

Count the gross income (before deductions for taxes, etc.) anticipated from employment (wages, salaries, overtime pay, commissions, fees, tips, bonuses and other compensation for personal services) of the family's Head of Household, Spouse, Co-Tenant and/or from other household members age 21 and older. DO NOT include employment income from household members under the age of 21, other than the Head, Spouse or Co-Tenant.

D. **Income from Assets**

Income from Assets will not be considered in the calculation of Family Income when the total value of Assets held by the Family is less than $50,000.[99]

When the family has assets of more than $50,000, use the greater of:

a. Actual income from assets or

b. Imputed income from assets based upon the HA established passbook rate.[*] The passbook rate must be within 75 basis points of the Savings National Rate.

E. **Income from Temporarily Absent Family Members**

Count all of the income of every family member who is on the lease including those who are temporarily absent. In addition, count the income of the spouse of the head of household if that person is temporarily absent, such as away at college or in the Armed Forces, even if that person is not on the lease (See Exhibit B for Income Exclusions).

F. **Income of Persons Confined to a Hospital or Nursing Home**

If a household member is confined to a nursing home or hospital on a long-term basis, allow the family to remove that family member's name from the lease, (with the owner's permission), exclude the income, and do not allow any deductions for the individual removed from the lease. The family member would be considered to be permanently absent and the family would be issued a Voucher for a smaller bedroom size at the time of the next annual review or mutual rescission.

G. **Regular Contributions and Gifts**

Count as income regular contributions and gifts from persons outside the household. This may include rent or utility payments regularly paid on behalf of the family, and any other cash or non-cash contributions provided to the family on a regular basis. In determining

---

[98] Approved under MTW 11/1/10
[99] Approved under MTW 5/14/07

[*] See Section IV for additional guidelines on Imputing Income

whether contributions should be counted, consider whether these contributions make up a regular portion of the family's annual income or whether they are sporadic or casual contributions, which should not be counted. Bartering in lieu of cash payment is to be counted as income.

H. **Alimony or Child Support**

Count amounts awarded as part of a divorce or separation agreement unless the applicant certifies that the income is not provided and documents that the required efforts have been made to collect these amounts. (See Verification Requirements, Exhibit E) This also applies to situations where an applicant states they are receiving less than specified in the court judgment or settlement agreement.

I. **Earned Income Tax Credit**

Earned income tax credits and other tax credits as described in Exhibit B will not be used in calculating annual income.

J. **Lump-Sum Payments Counted as Income**

Generally lump-sum amounts received by a family are considered assets, not income (inheritances, insurance settlements, proceeds from the sale of property, etc.). Lump-sum payments made because of a delay in processing unemployment, child support or welfare benefits are counted as income.

However, a lump-sum payment for the delayed start of a periodic payment from SSI and Social Security is not counted as income.

K. **Imputed Welfare Income/Welfare Benefit Reduction**

The Imputed Welfare Income is the difference between the welfare payment the Family receives and the welfare payment the Family would have received had it not been reduced and is based on information presented by the welfare agency. The Imputed Welfare Income is to be included in the calculation of the Family Income along with the Family's other income.

A reduction of welfare benefits by the welfare agency, in whole or in part for a family member, is determined by the welfare agency because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with the agency's requirement to participate in an economic self-sufficiency program.

However, a welfare benefit reduction resulting in "Imputed Welfare Income" does not include a reduction or termination of welfare benefits:

1. At the expiration of a lifetime or other time limit on the payment of welfare benefits

2. Because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

3. Because a family member has not complied with other welfare agency requirements.

The Housing Authority will work with the welfare agency in order to receive written information regarding the amount and term of any welfare benefit reduction for a family member, and the reason for such reduction, as well as information which will also inform the Housing Authority of any subsequent changes in the term or amount of such specified welfare benefit reduction.

The Housing Authority will only include Imputed Welfare Income in annual income if the family was an assisted resident at the time the sanction began.

If the family is not satisfied that the Housing Authority has calculated the amount of Imputed Welfare Income correctly and if the Housing Authority denies the family's request to modify such amount, the Housing Authority will give the resident written notice of such denial, with a brief explanation of the basis for the determination of the amount of Imputed Welfare Income. The notice shall also state that if the resident does not agree with the determination, the resident may file for a hearing in accordance with the Authority's Informal Hearing Procedure.

1. The Housing Authority is responsible for determining the amount of Imputed Welfare Income that is included in the family's annual income as a result of a welfare benefits reduction as determined by the welfare agency.

2. The Housing Authority is not responsible for determining whether a reduction of welfare benefits by the welfare agency is correctly determined by the welfare agency, nor for providing the opportunity for review or hearing on such welfare agency determinations.

L. **Income from a Business (Includes Self-Employed, Rental of Real Property, etc.)**

Consider business expenses in computing the family's net income from a business. Generally, net income equals gross income less:

1. Depreciation (computed on a straight-line basis),

2. Interest payments on loans and

3. Other business expenses, except expenses related to business expansion or capital improvements.

Count as income any withdrawals of cash or assets by the family from the business unless the withdrawal is for reimbursement of amounts the family invested in the business.

For those families wishing to operate a small business out of their residence, the following will apply:

1. Prior to beginning the business, the tenant must obtain:

   a. the proper business licenses and permits from the city in which the unit is located; and

   b. prior written approval from the landlord.

2. The tenant must provide the HA with quarterly statements of income until a pattern of income can be established. Accepted forms of verification include: Financial Statements or Tax records filed with the IRS.

M. **Income of Foster Children**[100]

Income for care of foster children or foster adults is excluded.

N. **Income of a Live-in Aide**

Income received by a live-in aide is excluded and no deduction is allowed.

O. **Student Financial Assistance**

Student financial assistance paid directly to the student or to the educational institutions shall not be counted as income. [101]

Note that loans are not considered student financial assistance and should never be counted as income.

P. **Resident Stipend**

A resident stipend is an amount received by a resident for performing a service for the owner (HA) on a part-time basis that enhances the quality of life in the development and/or increases the economic self-sufficiency of the resident through education and training. As determined by the Housing Authority, services may include, but are not limited to, laundry room attendant, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination, and serving as a member of the Housing Authority Board of Commissioners. It should be emphasized that if an owner (HA) pays a resident more than the approved KCHA exclusion limit (See Exhibit B, Income Exclusions),[102] per month, then the entire amount received is counted as income. There is no limit as to the number of stipends a family may receive, however, each family member may only exclude one stipend at a time.

---

[100] Approved under MTW 11/1/10
[101] MTW Activities 2008-10 and 2008-11
[102] Approved under MTW 12/1/08 and 9/25/23

Q. **Payments awarded to Vietnam Veterans Affected by "Agent Orange"**

Payments awarded to Vietnam Veterans affected by "Agent Orange" are to be treated as follows:

1. Lump-sum payments would not be counted as annual income, but would affect total assets.

2. Periodic payments would be counted as annual income.

R. **Zero Income, Zero Rent or EAS Reimbursement** [103]

If at any time the family reports it has zero income, or whose rent is zero or receives an EAS Reimbursement, a Special Review will be scheduled to ensure compliance with income reporting requirements. Typically, such reviews will be completed no later than 6 months following the prior review, during which rent will be adjusted in accordance with the HA's established minimum rent policy, as applicable. However, more frequent Special Reviews may be completed, if determined necessary by HA staff. In completing such review(s), the HA may utilize controls, such as periodic submission of household budgets or review of EIV and other similar verification sources, to assist in insuring proper income documentation. If an EASY Rent or WIN Rent household appears eligible to receive certain sources of income (TANF, unemployment, etc.), but claims they do not receive such benefits, the family shall be required to document that they are not receiving income to which they are entitled. Families who do not access all available sources of income are not eligible to be granted relief from the calculated rent under KCHA's Hardship Policy.

S. **State or Local Employment Training**

This exclusion exempts compensation received from qualifying employment training programs and training of resident management staff. To qualify, the compensation must be a component of a state or local employment training program with clearly defined goals and objectives. This exclusion only covers compensation received while the resident participates in the employment training program. Please note, only the compensation received incident to the training program is excluded (any additional income received during the training program, such as public assistance, will continue to be counted as income). The employer needs to be aware the client is in a job training program as verification will be required from the employer.

To qualify as a job training program, it must have all six (6) of the following components:

1. Be a program providing **employment** training and supportive services;

2. Be authorized by Federal, State, and local law;

[103] Approved under MTW 11/1/10

3. Be **funded** by Federal, State or local government;

4. Be operated or administered by a public agency;

5. Have as it's objective to assist participants in **acquiring employment skills**; and

6. Have clearly defined goals and objectives and is for a pre-determined, limited time period, and initially, not to exceed one year.

T. **Exclusion of Income Received Under Training Programs Funded by HUD**

Exclusion of income received under training programs funded by HUD includes amounts received such as stipends, wages, transportation payments, and childcare vouchers received pursuant to the training program. Income received as compensation for employment is excluded ***only*** if the employment is a component of a training program. The exclusion of income earned is allowed only during the job training program, or training oriented employment, but not during employment secured or maintained once all training has been completed. The employer needs to be aware the client is in a job training program as verification will be required from the employer.

II. ASSETS

A. **Valuing Assets**

Since the cash value of assets is used in this computation, consideration must be given to expenses involved in selling or converting assets to cash. Cash value is the market value of the asset minus reasonable costs that were or would be incurred in selling or converting the asset to cash, such as:

1. Penalties for premature withdrawal of funds (for IRA, Keogh, time deposits, etc.);

2. Broker and legal fees for selling or converting assets to cash; and

3. Settlement costs for real estate transactions.

The cash values of the following are examples of assets that are to be considered in the calculation of income:

1. Current amounts in savings accounts and the average balance of the last six months in checking accounts, where such average balance has exceeded $50,000[104] (including credit unions). Note that some specialty savings accounts, such as ABLE accounts may be excluded per Exhibit B;

[104] Approved under MTW 5/14/07

2. Stocks, bonds, savings certificates, money market funds and other investment accounts;

3. Equity in real property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset. Do not include equity in an owner-occupied cooperative or manufactured housing unit if the family intended to continue living in the cooperative unit or manufactured housing home after being admitted to the Section 8 program. For real estate, have tenant certify the estimated Fair Market Value (no appraisal needed) and subtract mortgage and established costs (i.e., attorney's fees, closing costs, etc.).

4. The cash value of any trusts available to and under the control of the family. Do not include the value of trusts that are outside the control of the family. The value of the trust fund outside of the control of the family will not be considered an asset so long as the fund continues to be held in trust. Income distributed from the trust shall be counted when determining the family's annual income in the following manner:

a. For any trust held outside the control of the family:
   i. Do not include distributions from the principle or corpus of the trust.
   ii. Do not include distributions of income from the trust when those distributions are used to pay the costs of health and medical care expenses for a minor.
   iii. Include all other distributions of income from the trust.

b. For a revocable trust under the control of the family,
   i. Any actual income earned by the trust, regardless of whether it is distributed, shall be considered income to the family at the time it is received by the trust.
   ii. Distributions from the trust shall not be considered income, as they were counted when the income was earned by the trust.

5. IRA, Keogh, and similar retirement savings accounts. These are included because participation is voluntary and the family has access to them, even though withdrawal would result in a penalty.

6. Company retirement/pension funds.

   a. While the family member is employed, include amounts the family can withdraw without retiring or terminating employment.

   b. At retirement or termination or employment, count as an asset any amount the member elects to receive as a lump-sum. If the benefits will be received through a periodic payment, include the benefit in annual income.

7. Assets disposed of for less than Fair Market Value.

a. For any assets the family has disposed of for less than Fair Market Value during the two years prior to the effective date of the admission or reexamination being processed, count the difference between the market value and actual amount received.

b. Assets disposed of as a result of foreclosure or bankruptcy is not considered an asset disposed of for less than Fair Market Value.

c. Small amounts, such as charitable contributions, under $1,000 will not be counted. If value of the disposed assets is over the $1,000, the entire amount will be counted.

d. Assets disposed of as a result of a divorce or separation agreement are not considered disposed of for less than Fair Market Value if family has received consideration not measurable in dollar terms.

e. Verification of assets disposed of for less than Fair Market Value will be verified by applicant certification. Only those certifications that warrant it will be verified.

8. Business assets are not considered in determining the value of net family assets; however, if business assets have been disposed of for less than Fair Market Value in the past two year preceding the effective date of the reexamination or move-in, the difference between the amount realized and the Fair Market Value is included in the net family assets. In this regard, business assets are treated the same as any other family asset.

9. Assets Owned Jointly

   If more than one person owns assets and the Applicant/Tenant has unrestricted access to the asset, the full value of the asset is counted.

10. Lump-Sum Receipts

    Includes inheritances, capital gains, one-time lottery winnings, settlements on insurance and other claims, etc.

11. Personal Property Held as an Investment

    Includes gems, jewelry, coin collections, or antique cars held as an investment. If the family does not know the Fair Market Value, verification is required. An applicant's wedding ring and other personal jewelry are considered necessary personal property and not assets.

12. Cash Value of Life Insurance Policies.

13. "Loaning" of Family Assets

In situations where the family claims to have "loaned" assets to other private parties (relatives, friends, neighbors, etc.), the HA will continue to count the asset as under the family's control and continue to count the net cash value of the asset - letting the family deal with actually recovering the money at some time in the future.

If the family claims they gave the asset away, however, the HA would consider it an asset "disposed of for less than Fair Market Value" and calculate the income based on that procedure.

B. **Items Not Counted as Assets**

1. Necessary personal property (furniture, clothing, cars, etc.).

   In distinguishing necessary personal property from assets, consider the following:

   a. Necessary personal property usually is not expected to increase in value, and

   b. Necessary personal property is usually used by the owner.

2. Vehicles especially equipped for the disabled.

3. Assets not accessible to the family and which provide no income for the family.

4. Interest in Indian trust lands.

5. Assets that are a part of an active business or farming operation.

6. The equity in owner-occupied cooperatives and manufactured homes in which an assisted family lives.

III. ADJUSTED INCOME – ALLOWABLE EXPENSES (DEDUCTIONS)[105]

A. **Childcare Expenses -**Not applicable to fixed income "EASY Rent" households****

Reasonable Childcare expenses for the care of children, including foster children, under age 13 are permitted when such care is needed to enable a family member to work or to further his/her education (academic or vocational). In order to qualify for a childcare deduction, the Family must demonstrate that:

1. No adult household member is available to provide care during the hours needed;

2. The amount submitted for deduction is reasonable in terms of costs, number of hours and type of care;

[105] Approved under MTW 11/1/10

3. The amount of childcare expense, which enables a family member to work, does not exceed the employment income earned. When more than one family member works, it should be assumed that the childcare expense enables the lowest paid individual to work, unless this is obviously not the case;

4. The amount is not paid to a family member living in the household;

5. The amount is not paid or reimbursed by an agency or individual outside the household. The applicant's written certification is needed as to whether any of the childcare payments have been or will be reimbursed by outside sources. If only a portion of the childcare expense is reimbursed, the remainder would be considered for deduction;

6. If the childcare provider also cares for other family members, the amount for the care of children under 13 must be prorated;

7. The amount is not paid for the care of any child under 13 years of age who resides in a household operating an in-home childcare facility. Such households will be determined able to provide care for their own household members and will not be eligible for a reduction from gross income.

Child support payments for children who do not live in the unit are not considered childcare payments and, therefore, are not included in this allowance.

The actual amount of the deduction provided is established by KCHA according to the following expense bands:

Eligible Child Care Expenses Incurred	$ Amount of Deduction
Below $2,500	$0
$2,500 - $4,999	$2,500
$5,000 – $7,499	$5,000
$7,500 - $9,999	$7,500
$10,000 or more	$10,000

B. **Handicapped Assistance Expense**

Households may deduct anticipated expenses for attendant care and auxiliary apparatus for a member with a disability (according to the HUD definitions) if such expenses enable a

family member (including the person with disabilities) to be employed. The amount of the deduction may not exceed the employment income received by the family member who is able to work as a result of the provision of attendant care or auxiliary apparatus for the person with disabilities.

Any family with a disabled family member may qualify for this allowance even if neither the Head of Household nor spouse is disabled.

1. For households under KCHA's WIN Rent program, out-of pocket expenses under this category will be combined with out-of-pocket Childcare Expenses, if any, when determining Adjusted Annual Income for the household.

2. Under the EASY Rent program, out-of-pocket expenses in this category will be combined with out-of-pocket Medical Expenses, if any, when determining Adjusted Annual income for the household.

Auxiliary apparatus includes items such as wheelchairs, ramps, adaptations to vehicles, special equipment to enable a blind person to read or type, etc. which directly relate to permitting the person with a disability or other family member to work. If the apparatus is a specially equipped van, the expense is to be based on the difference between it and the cost of a regular, moderately priced car.

Care attendant expenses may be paid to a relative only if it is determined that the relative is not a member of the family.

When a child care provider takes care of children under age 13 *and* a member with a disability 13 years or older, expenses must be prorated appropriately since the way in which child care and disabled expenses are computed differ.

C. **Medical Expenses**

Allowances for medical expenses are permitted when total "out-of-pocket" unreimbursed expenses exceed $2500.

The actual amount of the deduction provided is established by KCHA according to the following expense bands:

Eligible Medical Expenses Incurred	$ Amount of Deduction
Below $2,500	$0
$2,500 - $4,999	$2,500
$5,000 – $7,499	$5,000

$7,500 - $9,999	$7,500
$10,000 or more	$10,000

Under KCHA's Hardship Policy, a WIN Rent Household may qualify for a Medical Deduction only when it can be demonstrated that the household's childcare and medical costs, and calculated Total Tenant Payment (Rent + Energy Assistance Supplement) results in the household facing an "extraordinary cost of living".

In calculating the household's eligible expense level, include expenses that are not covered by outside sources, such as insurance, and that are anticipated to be incurred during the next 12 months following the family's examination/reexamination. Additionally, include the portion of expenses that were incurred during the 12 months prior to the annual review but were paid prior to the currently scheduled reexamination. Expenses such as the following would be allowed:

a. Services of doctors and health care professionals.

b. Services of health care facilitators.

c. Medical insurance premiums.

d. Prescription medicines.

e. Transportation to and from treatment facilities.

f. Dental expenses (including the costs of obtaining/repairing dentures).

g. Eyeglasses, hearing aids, batteries.

h. Live-in attendant or periodic medical assistance.

i. Monthly payment(s) on accumulated medical bills.

j. Costs associated with the use of a service animal trained to assist persons with physical disabilities. Grooming parlor expenses associated with luxury-type care, and costs incurred for boarding an animal when not in use are excluded.

IV. GUIDELINES FOR IMPUTING INCOME FROM ASSETS

These guidelines are to be used only if the total family assets are greater than $50,000. No income from assets is included in annual Income when the value of total family assets is less than $50,000.[106]

[106] Approved under MTW 5/14/07

STEP I. Determining Whether Imputing Income is Necessary

a. Multiply the total assets by 0.75% (.0075).
b. Calculate the actual income received from *all* assets.
c. Compare the totals from A and B above and follow the applicable instructions below:

* If A is **less** than B, **STOP HERE.** The ACTUAL income from assets will be used to determine total family income. **NO FURTHER CALCULATIONS ARE NEEDED**.

* If A is **greater** than B, **CONTINUE TO STEP II** to determine if you must impute income from assets.

STEP II. Calculating Disposal Costs

Use the following guidelines to determine the disposal cost of each family asset:

Type of Asset	Disposal Cost
Real Estate	10% of the assessed value
Mobile Homes	10% of the assessed value
Time Deposits or CD's:	
7-31 Days	All of the interest earned, or 1/2 of the interest that could have been earned, whichever is greater
32-364 Days	One month's interest
12-59 Months	Three months' interest
60-120 Months	Six months' interest
Stocks, Bonds, Annuities, Mutual Funds, etc.	Brokerage rates vary, contact the agent listed on the verification for a written estimate of disposal costs
Savings, Checking, Money Markets	Generally, no disposal costs

STEP III. Calculating a Net Asset Value

a. Deduct any applicable disposal cost found in STEP II above from the value of the corresponding asset. This is the Net Value of the Asset. (If an asset has no disposal costs, its Net Asset Value is the Actual Value of the asset).

b. Calculate the family's TOTAL NET ASSET VALUE

STEP IV. Calculating Imputed Income From Assets

c. Multiply the figure found in Step III. b. above (Total Net Assets) by 0.75% (.0075). This is the IMPUTED INCOME FROM ALL ASSETS.

STEP V. Comparing Imputed and Actual Income From Assets

a. Compare the Imputed income found in STEP IV above to the total actual income from assets (from STEP I. b.)

b. The amount added to the family's annual income is the greater of the imputed income found in STEP IV or the actual income from assets.

28: EXHIBIT D - PAYMENT STANDARD/INCOME LIMITS

Housing Choice Voucher Program

INCOME LIMITS
Effective April 1, 2025

Family Composition	Extremely Low-Income	Very Low-Income	Low-Income
1 Person	$33,050	$55,000	$84,850
2 People	$37,750	$62,850	$96,950
3 People	$42,450	$70,700	$109,050
4 People	$47,150	$78,550	$121,150
5 People	$50,950	$84,850	$130,850
6 People	$54,700	$91,150	$140,550
7 People	$58,500	$97,450	$150,250
8 People	$62,250	$103,700	$159,950
9 People	$66,050	$110,000	$169,650
10 People	$69,800	$116,300	$179,350
11 People	$73,600	$122,550	$189,000

HOUSING CHOICE VOUCHER MULTI-TIERED PAYMENT STANDARDS

Effective January 1, 2026

1. Look for the zip code below to determine the tier for the unit.
2. Look at the bottom table for the bedroom size in that tier to determine the payment standard.

ZIP CODES AND PAYMENT STANDARD TIERS

ZIP Code	Tier
98001	4
98002	1
98003	2
98004	6
98005	6
98006	6
98007	6
98008	5
98010	1
98011	5
98014	3
98019	3
98022*	2
98023	3
98024	3

ZIP Code	Tier
98027	6
98028	4
98029	6
98030	3
98031	3
98032	3
98033	6
98034	6
98038	5
98039	6
98040	6
98042	3
98045	3
98047*	2
98051	1

ZIP Code	Tier
98052	6
98053	5
98055*	4
98056*	5
98057*	4
98058*	4
98059*	6
98065	3
98070	2
98072	6
98074	5
98075	5
98077*	5
98092*	2
98106*	2

ZIP Code	Tier
98108*	2
98126*	2
98133*	4
98146*	2
98148	3
98155	3
98166	2
98168	2
98177*	3
98178*	2
98188	3
98198	3
98224	2
98288	2
98354*	2

* These ZIP codes partially include non-KCHA jurisdictions and may be either outside King County or within Seattle or Renton city limits

MULTI-TIERED PAYMENT STANDARDS

	Studios	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
TIER 1	$1,610	$1,690	$2,020	$2,640	$3,440	$3,960	$4,480
TIER 2	$1,620	$1,700	$2,030	$2,650	$3,460	$3,980	$4,500
TIER 3	$1,640	$1,720	$2,070	$2,690	$3,510	$4,040	$4,570
TIER 4	$1,730	$1,820	$2,180	$2,830	$3,710	$4,270	$4,830
TIER 5	$2,070	$2,170	$2,530	$3,300	$4,310	$4,960	$5,610
TIER 6	$2,240	$2,350	$2,800	$3,650	$4,760	$5,480	$6,190

29: EXHIBIT E- ACCEPTABLE FORMS OF VERIFICATION

I. INCOME VERIFICATION

As a general rule, HA's required to access the EIV system to obtain an Income Report for each household member on the Section 8 program. If the Income Report does not contain any employment or income information for the family or if the family disputes the amount given through EIV, the HA must use the next lower lever verification type (see below). The following is a list of income sources along with acceptable forms of verification:

A. Employment Verification

Except for the time of application or new admission (see Section 7), all employment verification must contain the EIV income report (if available) plus one of the following forms of verification for each family member receiving earned income prior to the calculation of income. The verification forms are in order of acceptability:

1. Verification from Employment Security
2. HA employment form (verification completed by the employer). If hand carried or faxed, the information must be followed up by oral confirmation. All third party employment verification forms must provide the following information:
    a. Date of hire;
    b. Frequency of pay and effective date of the last pay increase;
    c. Probability and effective date of any increase during the next 12 months;
    d. Bonus, commission and tip amounts, if applicable; and
    e. Manager signature and telephone number.
3. Check stubs or earning statements showing employee's gross pay per pay period and frequency of pay.
4. W-2 forms if applicant has had the same job for at least two years and pay increases can be accurately projected.
5. Notarized statements, affidavits or income tax returns signed by the applicant describing self-employment and amount of income or income from tips and other gratuities.

B. Social Security, Pensions, Supplementary Security Income (SSI), Disability Income.

1. Third party verification of applicants and household members receiving SS/SSI benefits:

a. Since EIV does not contain SS or SSI benefit information of applicants, HA's are required to request copies of SS or SSI benefit letters, dated within the last 60 calendar days. If the applicant does not have the letter, direct them to the SSA website at www.socialsecurity.gov. Once received, the HA should use the gross benefit amount listed on the letter.

2. Third party verification of participants and household members receiving SS/SSI benefits:

   a. HA's are required to use EIV to verify SS/SSI benefits of current participants.

   b. If the participant agrees with the EIV amount, the HA will use the gross amount to calculate annual income.

   c. If the participant disputes the amount, they must provide a current SSA benefit letter dated within the last 60 calendar days.

   d. If the information is not in EIV or if the participant cannot provide the required documents, income is calculated as described in section 1.a. above.

3. For Social Security benefits due to age, apply the cost of living factor to the benefits reported on the previous determination of Total Tenant Payment. Reverify the income of all Social Security benefits *under* the age of 62 and recipients of Supplemental Security Income (SSI).

4. Photocopies of Social Security checks or bank statements are NOT acceptable forms of verification as the dollar amount may not be the gross benefit amount.

C. **Unemployment Compensation.**

1. Data obtained through EIV.

2. Computer printout from the unemployment office stating payment dates and amounts or monetary determination form.

D. **Public Assistance Payments**.

1. HA Verification Form completed by Public Assistance Agency

2. Welfare agency's written statements as to type and amount of assistance the Family is now receiving, and any changes in assistance expected during the next 12 months.

3. Oral verification by HA personnel through use of the 1-800-DSHS hotline.

E. **Alimony or Child Support Payments**.

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support any payment schedules.

2. If an applicant/tenant who is eligible for child support states they are not receiving it or they are receiving less than the total amount they are entitled to receive, third party verification is required to support this. The entire amount indicated in the court papers is to be used to calculate income unless documentation indicates otherwise.

3. Acceptable documentation includes:

   a. A letter from the applicant's attorney stating they are not receiving the amount they are entitled to receive or

   b. A letter for Support Enforcement stating the above, or

   c. A copy of any revised court documents.

F. **Net Income from a Business.**

The following documents show income for the prior years. Consult with tenants and use this data to estimate income for the next 12 months.

1. IRS Tax Return, Form 1040, if any:

   a. Schedule C (Small Business)

   b. Schedule F (Farm Income)

   c. Schedule E (Rental Property Income)

2. Audited or unaudited financial statement(s) of the business.

3. Loan Application listing income derived from the business during the previous 12 months.

4. Applicant's notarized statement or affidavit as to net income realized from the business during previous years.

G. **Recurring Gifts**

1. Notarized statement or affidavit signed by the person providing the assistance. Must give the purpose, dates and value of gifts.

2. Applicant's notarized statement or affidavit that provides the information in G.1. above.

II. ASSET VERIFICATION

For combined asset values of less than $50,000, no verification is required and will not be included in the calculation of income. Participants and applicants will be allowed to self-certify the asset amount up to $50,000.[107] For combined asset values of $50,000 or greater, the following verification procedures apply:

A. **Family Assets Now Held**.

For non-liquid assets, collect enough information to determine the current cash value - the *net* amount the Family would receive if the assets were converted to cash.

1. Verification forms, letters or documents from a financial institution, broker, real estate agent, etc. indicating current value of the asset and penalties or reasonable costs to be incurred in order to convert non-liquid assets into cash.

2. Passbooks, checking account statements, certificates of deposit, bonds or financial statements completed by a financial institution or broker. For Checking and savings, use current balance in savings account and last 6 months average balance in checking account.

3. Quotes from attorneys, bankers, stock brokers or realty agents as to net amount the Family would receive if they liquidated securities or real estate.

4. Real estate tax statements if tax authority uses approximate market value.

5. Copies of closing documents showing the selling price, the distribution of the sales proceeds and the net amount to the borrower.

6. Appraisals of personal property held as an investment.

7. Applicant's notarized statements or signed affidavits describing assets or to verify cash held at the applicant's home or in safe deposit boxes.

B. **Assets Disposed of For Less Than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification.**

1. For all certifications and recertifications, Family's certification as to whether any member has disposed of assets for less than FMV during the two years preceding effective date of the certification or recertification.

2. If the Family certifies that they did dispose of assets for less than FMV -- a certification that shows:

---

[107] Approved under MTW 5/14/2007

a. All assets disposed of for less than FMV,

b. The date they disposed of the assets,

c. The amount the Family received, and

d. The assets' market value at the time of disposition.

C. **Savings Account Interest Income and Dividends**.

1. Account statements, passbooks, certificates of deposit, etc., if they show enough information and are signed by the financial institution.

   a. Current interest amount can be obtained by contacting the source by phone and properly documenting the Verification Form.

2. Broker's quarterly statements showing value of stocks or bonds and the earnings credited the applicant.

3. If an IRS Form 1099 from the financial institution is acceptable, adjust the information to project earnings expected for the next 12 months.

D. **Interest Income From Sale of Real Property Pursuant to a Purchase Money Mortgage, Installment Sales Contract, or Similar Arrangement.**

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the applicant is *NOT* sufficient since appropriate breakdowns of interest and principal are not included.)

2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

E. **Rental Income From Property Owned by Applicant**.

(Owners must adjust these amounts for changes expected during the next 12 months.)

1. IRS Form 1040 with Schedule E (Rental Income).

2. Copies of latest rent checks, leases, or utility bills.

3. Documentation of applicant's income and expenses in renting the property (tax statement, insurance premiums, receipts for reasonable maintenance and utilities, bank statements or amortization schedules showing monthly interest expense.)

4. Lessee's written statement identifying monthly payments due the applicant and applicant's affidavit as to net income realized.

III. VERIFICATION OF DEDUCTION/ALLOWANCES

A. **Childcare Expenses**

1. Written verification from the person who receives the payments.

    a. If childcare is provided by a licensed business, verification on its letterhead stationery will be acceptable.

    b. If childcare is provided in a private home (i.e. friend, relative), written notarized verification will be required.

    c. If verification is unavailable, copies of tax returns may be used as well as actual bills and receipts.

2. Verifications must specify the hours and days during which the care is provided, the names of the children cared for and the frequency and amount of compensation received.

3. Costs must reflect "reasonable hours" and "reasonable costs for the jurisdictions"(as costs may often vary by seasons.)

4. If the total childcare expense is state-subsidized and is $50 or less per month, Section 8 applicants and participants will be allowed to self-certify such amounts in lieu of obtaining third party documentation.[108]

B. **Medical Expenses**.

1. Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, etc., including:

    a. The estimated medical costs to be incurred by the applicant and of regular payments due on medical bills

    b. Extent to which those expenses will be reimbursed by insurance or a government agency.

2. The insurance company's or employers written confirmation of health insurance premiums to be paid by the applicant plus a copy of a receipt, canceled check or pay stub.

3. Social Security Administration's written confirmation of Medicare premiums to be paid by the applicant over the next 12 months.

---

[108] Approved under MTW 8/30/2004

4. For Attendant Care.

    a. Doctor's certification that the assistance of an attendant is medically necessary.

    b. Attendant's written confirmation of hours of care provided and amount of frequency of payments received from the Family (or copies of canceled checks the Family used to make those payments).

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

5. Receipts, canceled checks or pay stubs that indicate health insurance premium costs, etc., that verify medical and insurance expenses also likely to be incurred in the next 12 months.

6. Copies of payment agreements with medical facilities or canceled checks that verify payments made on outstanding medical bills that will continue for all or part of the next 12 months.

7. Receipts or other records of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. Use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, non-recurring expenses from the previous year.

C. **Assistance to the Disabled**.

1. Live-in aide care: In all cases, written certification from a doctor or a rehabilitation agency that the person with a disability requires the services of a Live-in aide or the use of auxiliary apparatus to permit the person with a disability to be employed or to function sufficiently independently to enable another family member to be employed.

    a. Live-in aide's written certification as to amount received from the applicant/tenant, frequency of receipt, hours of care provided and/or copies of canceled checks applicant/tenant used to make those payments.

2. Auxiliary apparatus: In all cases, written certification from a doctor or a rehabilitation agency that the person with a disability requires the services of an attendant or the use of auxiliary apparatus to permit the person with a disability be employed or to function sufficiently independently to enable another family member to be employed.

    a. Receipts for purchases of, or evidence of monthly payments for, auxiliary apparatus.

    b. In cases where the person with a disability is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

c. Family's written certification as to whether they receive reimbursement for any of the expenses in Paragraphs 1 and 2 above and the amount of any reimbursement received.

IV. OTHER GENERAL VERIFICATION

A. **Family Type and Membership in Family**.

1. For an elderly household age may be provided by:

   a. A copy of a birth certificate, baptismal certificate, census record, or

   b. Receipt of SSI Old Age benefits or Social Security retirement benefits.

2. For Disabled Head or Spouse, an applicant or Participant/Tenant receiving Social Security benefits or Supplemental Security Income (SSI) disability benefits will be considered to be disabled under HUD's definition, (an applicant receiving veteran disability benefits, however, does not necessarily qualify as disabled under HUD's definition). A Family who is not receiving either of the above benefits may still qualify by providing verification from a health or service professional. After admission, a Family must continue to qualify as a disabled Family at the time of their annual reexamination in order to get the benefit of the disabled deduction and in order to have medical expenses considered in determining the rent. However, a person with disabilities who "recovers" can remain in subsidized housing but is no longer considered disabled for deduction purposes.

   a. Self-certification of family membership will be accepted at the time of admission to the program; however, family members being added after admission must verify relationship by birth certificate, adoption papers and/or custody agreements.[109]

   b. Medical need for larger unit. Certification from a reliable medical source that such arrangements are medically necessary.

B. **Registered Lifetime Sex Offender Status**

The Housing Authority will use the DRU Sjordin National Sex Offender database located at www.nsopw.gov to verify national sex offender status for all members of an assisted household.

V. VERIFICATION FOR TENANT SELECTION PREFERENCES

A. **Extremely Low-Income Preference**

---

[109] Approved under MTW 5/1/2004

Applicants will be considered extremely low-income if the family's total income is equal to or less than the higher of the Federal poverty level or 30% of Area Median Income for their household size.

1. This preference only applies to applicants applying for Permanent Replacement Housing.

B. **Involuntary Displacement Preference**.

Applicants will be considered involuntarily displaced if they (a) have already vacated a unit and are not living in standard permanent replaced housing, or (b) within no more than six months from the date of certification, the Family will be forced to vacate their unit for any of the reasons described in Section 13.

Required verification for an Involuntary Displacement Preference includes:

1. Written certification from a unit of government concerning displacement due to a disaster;

2. Written certification from a unit of government concerning displacement due to code enforcement or public improvement/development;

3. Certification from an Owner concerning displacement due to Owner action

   a. An applicant will not be considered displaced unless there was a prior rental agreement between the Owner and the applicant. Verification must include a rental agreement and canceled checks or money orders showing rental payment for not less than 90 days.

   b. The individual serving the notice of displacement must legally own the property in which the applicant resides. (Renters can't displace.)

4. HUD-approved VAWA certification form or certification from local police, social service agency, court of law, physician or public/private shelter/counseling facility concerning displacement due to domestic violence. An applicant who qualifies for a preference based on domestic violence must certify that the abuser will not reside with the applicant without prior HA approval.

5. For displacement due to reprisals, certification from a law enforcement agency indicating that family members provided information on a criminal activity and that the agency recommends relocating the Family to avoid or minimize the risk of violence due to retaliation.

6. For displacement due to hate crimes of a recent or continuing nature, certification from a law enforcement agency stating that the family member has been a victim of a hate crime and has vacated the housing unit because of such a crime.

7. For displacement due to inaccessibility, certification by a health care professional that a family member has a mobility or other impairment that makes the current unit inaccessible and a statement by the Owner that they are not legally obligated to make the necessary changes to the unit.

8. For displacement due to HUD disposition of a multifamily project, certification by HUD of the disposition.

C. **Substandard Housing Preference**.

Applicants will be considered to be living in substandard housing if they (a) qualify as a homeless family (as defined in Section 2) or (b) is living in a unit that is considered dilapidated, does not have operable indoor plumbing, a flush toilet, a usable bathtub or shower, adequate electrical service, a kitchen, adequate heat source, or has been declared unfit for habitation.

Required verification for this preference includes:

1. Written certification from a unit of government that the unit's condition meets the federal definition of substandard;

2. Written certification from an applicant's current landlord that the unit's condition meets the federal definition of substandard;

3. For "homeless families," written certification of their status from a public/private facility providing shelter to the Family, from local police or a social service agency. (This includes applicants receiving HOPWA funding.)

4. For the Family Unification Program only, written documentation from the current landlord or child welfare agency certifying the Family is, or will be, living in an overcrowded situation once the Family is reunited. Verification must include:

   a. Number of people living in the unit, or could be living in the unit after unification;

   b. The number of bedrooms in the unit; and

   c. Whether there are any rooms that could qualify as a living/sleeping room.

D. **Paying more than 50 percent of Income Preference**

Applicants will be considered to be a rent burden if they are (a) paying more than 50% of their income for rent and utilities and (b) have been paying this amount for more than 90 days. Applicants will not qualify for this preference if the reason they are paying more than 50% of their income is because their housing assistance under the Section 8, Public Housing, Rent Supplement, or Section 236 program was terminated for refusal to comply with applicable program policies and procedures.

Required verification for this preference includes:

1. Third party verification of all income sources, as required by the HA;

2. For rent, an applicant is required to produce a copy of either a lease (rental agreement) or rent receipts showing the applicant has been paying over 50% of their income for rent for the previous 90 day period. If the submitted documentation is not satisfactory, however, further information will be requested.

3. For utility allowances, an applicant can choose to either:

   a. Use the HA's Section 8 Utility Allowance (if the applicant provides documentation showing the bedroom size of their current unit); or

   b. Provide information (copies of bills, receipts, etc.) of all utility payments made for the prior 12 month period, or if information is not obtainable, for the entire period of an appropriate recent period (such period shall be no less than six consecutive months).

VI. SOCIAL SECURITY DISCLOSURE AND DOCUMENTATION

A. Disclosure and Documentation Requirements

All tenants and applicants to the HA's Section 8 Housing Program must disclose and document (as described in VI.B. below) complete and accurate Social Security Numbers (SSN,s) assigned to the applicant/tenant and to each household member, including live-in aides and foster children.

1. A family is required to disclose and document the proper SSN for each household member. However, the HA may not deny assistance to a *Mixed Family* due to non-disclosure of an SSN by an individual who does not contend to have eligible immigration status.

2. **Rules for Applicants**: Submission of SSNs and acceptable documentation must be provided during the applicant's final determination of program eligibility. Applicants **may not be housed in a unit** prior to the submission of required information for **ALL** household members, except as those included as members of a *Mixed Family* who do not contend to have eligible immigration status (see item VI.A.1 above).

3. **Rules for Current Tenants as of January 31, 2010**: Excluding persons age 62 or over as of January 31, 2010, disclosure and documentation of a complete and valid SSN is required no later than the date of the **next regularly scheduled recertification or interim review** of income, family composition and program eligibility for all occupants who:

   a. Have not previously disclosed a SSN;

b. Previously disclosed an SSN that HUD or the SSA determined was invalid; or

c. Have been issued a new SSN.

Current occupants over age 62 as of January 31, 2010 are not required to provide additional verification. This exemption continues in the current unit, or in any future assisted unit in which the occupant may reside.

4. Rules regarding the addition of NEW Household members:

   a. Addition of family members under the age of 6 who have not previously been assigned a SSN: Such children may be added to the program, however, the family must disclose and **document a valid SSN within 90 calendar days** of the child being added to the household;

      - At the HA's discretion, an additional 90 days may be granted where failure to comply was due to circumstances that could not have been reasonably foreseen and were outside the control of the participant.

   b. Addition of family members age 6 and over or who are under age 6 and have an assigned SSN: The family must disclose and document the assigned SSN upon requesting to add the new family member, or at the time of processing the interim and recertification of family composition that includes the new member(s).

   c. In accordance with procedures outlined in item C.2 below, the HA must terminate the assistance of any participant (and the participant's household) for failing to meet applicable SSN disclosure and documentation requirements for all household members, including live-in attendants and foster children.

B. Acceptable Forms of Documentation

Documentation accepted to verify the Social Security Number of an individual will include the following:

1. A valid Social Security card issued by the Social Security Administration of the Department of Health and Human Services;

2. An original document issued by a federal or state government agency, which contains the name of the individual and the SSN of the individual, along with other identifying information of the individual. For example, a state driver's license that displays the Social Security Number;

3. Such other evidence of the SSN as HUD may prescribe or approve.

4. For participants in the VASH program only, the following alternatives will also be accepted as valid verification of a SSN:

a. a DD-214 or a VA verified 10-10EZ.

b. If no other means of verification is available, self-certification of the SSN will be accepted. This will require:

i. Self-certification of the SSN and

ii. At least one third-party document, such as a bank statement, utility or cell phone bill, or benefit letter that contains the name of the individual. This list includes VA-issued photo ID and documents.

iii. 90 to 120 days after housing, the SSN will be verified via the EIV system. If the system is unable to verify the self-certified SSN, the tenant will be required to provide further documentation.

Note: Photocopies or plastic replicas of an individual's Social Security card cannot be accepted.

C. Inability to provide Social Security Number Documentation

1. **Denial of Eligibility for Applicants**. The HA must deny the eligibility of any applicant household who has not met the SSN disclosure and documentation requirements for each household member, including live-in attendants and foster children. **However, if the family is otherwise eligible, they may retain their place on the waiting list for 90 calendar days** in order to allow the applicant time to provide the required documentation for all household members. If the applicant fails to comply with applicable SSN disclosure and documentation requirements within the time period specified, their application will be cancelled and removed from the waiting list.

   a. The HA may defer the cancellation, and provide the household an additional 90 calendar days to disclose and document a SSN only if the HA determines (in its discretion):

      - The failure to meet the requirement was due to circumstances that could not have reasonably been foreseen and were outside the control of the applicant; **and,**

      - There is reasonable likelihood that the applicant will be able to disclose and document the missing SSN data within the 90 day extension period.

   b. **In no case can the applicant be housed** until SSN disclosure and documentation requirements have been met for all members of the household, including live-in attendants and foster children.

2. Termination of Assistance for current Participants. The HA must terminate the assistance of any participant (and the participant's household) for failure to meet

applicable SSN disclosure and documentation requirements for each household member, including live-in attendants and foster children.

a. The HA may defer the termination, and provide the household an additional 90 calendar days to disclose and document a SSN only if the HA determines (in its discretion):

   - The failure to meet the requirement was due to circumstances that could not have reasonably been foreseen and were outside the control of the participant; **and,**

   - There is reasonable likelihood that the tenant will be able to disclose and document the missing SSN data within the 90 day extension period.

VII. VERIFICATION OF RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS

A. Each family member, regardless of age, must submit the following evidence to the Housing Authority:

   1. For citizens, the evidence consists of a signed declaration of U.S. Citizenship;

   2. For noncitizens who are 62 years of age or older, the evidence consists of a signed declaration of eligible immigration status and a proof of age document;

   3. For all other noncitizens, the evidence consists of a signed declaration of immigration status, the eligible USCIS documents (see section F of this Exhibit), and a signed verification consent form.

   4. Family members who choose not to contend they are a U.S. Citizen or have eligible immigration status, are not required to sign the declaration, however, the Family must identify to the Housing Authority which member(s) have elected not to contend.

B. The declaration is a form signed under penalty of perjury whereby each family member declares whether they are a U.S. citizen or have eligible immigration status. The verification consent form allows the Housing Authority to verify declared immigration status with the USCIS. Each adult **must** sign both the declaration and consent forms. For each child, the declaration and consent forms **must** be signed by an adult residing in the assisted dwelling unit who is responsible for the child.

C. The Housing Authority shall require evidence of eligible status be submitted at the following times:

   1. For applicants, the evidence must be submitted at the time of original application.

   2. For new occupants of assisted units, the evidence shall be submitted at the first interim or regular reexamination following the person's occupancy.

D. Extensions

1. The Housing Authority **must** extend the time for applicants and residents to submit the required evidence **if** the family member:

   a. Submits the declaration certifying eligible immigration status; and

   b. Certifies that the evidence needed to support the claim is temporarily unavailable, additional time is needed to obtain the evidence, and prompt and diligent efforts will be made to obtain the evidence.

2. The Housing Authority's decision to deny or grant an extension **must** be issued to the Family by written notice. If the extension is granted, the notice will state the period of extension, not to exceed a maximum limit of 30 days. If the extension is denied, the notice shall explain the reasons for the denial.

   a. For each family member, the Family is required to submit evidence of immigration or citizenship status only once during continuously assisted occupancy under any covered program.

   b. Acceptable evidence of eligible immigration status are as follows:

      1. **Form I-551** Alien Registration Card

      2. **Form I-94** Arrival Departure Record annotated with one of the following:

         a. Admitted as Refugee Pursuant to Section 207

         b. Section 208 or Asylum

         c. Section 243(h) or Deportation stayed by Attorney General

         d. Paroled Pursuant to Section 212(d)(5) of the INA

      3. **Form I-94** Arrival Departure Record not annotated, must be accompanied by one of the following:

         a. A final court decision granting asylum

         b. A letter from the USCIS asylum officer, or from the INS district director granting asylum

         c. A court decision granting withholding or deportation

         d. A letter from an USCIS asylum officer granting withholding of deportation

4. **Form I-688** Temporary Resident Card annotated with Section 245A or Section 210

5. **Form I-688B** Employment Authorization Card annotated with Provision of Law 274a.12(11) or Provision of Law 274a.12

6. A receipt from the USCIS indicating the application for issuance of a replacement document for one of the above.

c. When the eligible evidence is submitted, the Housing Authority **must** verify the Family's eligibility status in the following manner:

1. ***Primary Verification*:** The Housing Authority **must** contact the USCIS automated verification system (SAVE) to reverify the documents. The SAVE system provides access to names, file numbers, and admission numbers of noncitizens. Should the SAVE system confirm eligibility, the Family will be eligible for assistance. Should the SAVE system not confirm eligible immigration status of the Family, the Housing Authority **must** institute Secondary Verification.

2. ***Secondary Verification***: This is a manual search of the USCIS records requested by the Housing Authority in writing within 10 days of receiving the results from the SAVE system. The manual search is initiated by forwarding copies of the original USCIS documents provided by the Family, attached to the USCIS document G-845S, to the designated USCIS office for review.

d. If a Family fails to submit the required evidence within the time period specified, or if the evidence is submitted, but fails to establish eligible immigration status as described in paragraph G.2. of this section, the Housing Authority shall determine the Family or family members ineligible and notify them of their options under the program.

30: EXHIBIT F- DISPOSITION of RECORDS POLICY

A. ADMINISTRATION

The activity of identifying qualified families and providing public housing and/or low-income housing subsidies pursuant to Title 24 CFR and/or other federally-subsidized public housing program. Also includes unsubsidized residential housing on agency-owned property.

1. Application (Tenant/Participant) – Criminal Conviction Records/Sex Offender Registry

Criminal conviction records obtained from law enforcement agencies by the housing authority for use in screening applicants for admission to housing programs and/or for lease enforcement or eviction of families residing in public housing or subsidized housing pursuant to 24 CFR Part 5 Subpart J. Also includes applicants for unsubsidized residential housing on agency-owned property. Also includes sex offender registration information obtained from any state or local agency responsible for the collection or maintenance of the state sex offender registration program pursuant to 24 CFR §5.905.

Retain until purpose(s) for which the record was requested has/have been accomplished and expiration of period for filing a challenge to the housing authority action then **Destroy**.

2. Application (Tenant/Participant) – Ineligible or Withdrawn

Records relating to the application process for public housing or Section 8 where the applicant is determined to be ineligible, or where the application is withdrawn by the applicant. Also includes applicants for unsubsidized residential housing provided by the agency.

a. Includes, but is not limited to:
   - Application (and supporting data);
   - Social Security Number disclosure consent, documentation, verification, discrepancy,
   - investigation and resolution;
   - Eligibility verification documentation (consent forms, wage & claim information, etc.);
   - Correspondence and notifications to applicant;
   - Racial, ethnic, gender, and place of previous residency data;
   - Applicant appeal/hearing records.

b. Excludes:
   - Ineligibility appeals based on immigration status, which are covered by HA2014-001;
   - Appeals filed by existing tenants/participants, which are covered by HA60-01-52.

Retain for 3 years after application withdrawn or applicant determined ineligible and expiration of appeal period and conclusion of appeal, if filed then **Destroy**.

3. Application (Tenant/Participant) – Ineligible Due to Immigration Status (Appealed)
Records relating to the denial of public housing or subsidy assistance to applicants **based on immigration status** where the decision is appealed to U.S. Citizenship and Immigration Services (USCIS) (formerly Immigration and Naturalization Service (INS)) or through an informal hearing process pursuant to 24 CFR § 5.514.

a. Includes, but is not limited to:
   - Correspondence and notifications to and from applicant;
   - Application for financial assistance;
   - Photocopies of any original documents (front and back), including original USCIS documents;
   - Signed verification consent forms;
   - USCIS verification results;
   - Request(s) for USCIS appeal and/or informal hearing;
   - Final USCIS determination and/or informal hearing decision(s).

b. Excludes:
   - Denials that are not appealed, which are covered by HA60-01-51;
   - Termination of assistance to existing tenants/participants covered by HA60-01-52.

Retain for 5 years after resolution of informal hearing or USCIS appeal then **Destroy**.

4. Police Reports
Informational notifications received from law enforcement agencies relating to incidents occurring within the jurisdiction of the housing authority.

Retain until no longer needed for agency business then **Destroy**.

5. Tenant/Participant Files
Records relating to tenants and/or participants who participate in a federally-subsidized housing program administered by public housing agencies. Also includes tenants of unsubsidized residential housing on agency-owned property.

a. Programs include, but are not limited to:
   - Public Housing (Title 24 CFR);
   - Housing Choice Voucher (Section 8) (Title 24 CFR);
   - HOME Investment Partnerships (tenant-based rental assistance, etc.) pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act (24 CFR Part 92);
   - Rural Housing Stability Assistance pursuant to Subtitle D of Title IV of the McKinney-Vento Homeless Assistance Act (42 USC § 11408);
   - Rental Assistance (Rural and/or Farm Labor) pursuant to 7 CFR Chapter XVIII (regulated by the United States Department of Agriculture (USDA)).

b. Records include, but are not limited to:
   - Application (and supporting data) from the family;

- Eligibility verification documentation (consent forms, wage & claim information, Social Security Number discrepancy/investigation/resolution, copies of original documents of eligible immigration status (24 CFR § 5.510), etc.);
- Family income/composition reexaminations (HUD Family Report Form 50058, Landlord's
- Record of Certification Form 50059, Enterprise Income Verification (EIV) reports, etc.) conducted pursuant to 24 CFR § 960.257, 24 CFR § 5.657, 24 CFR § 884.218 , etc.;
- Executed lease;
- Housing Assistance Payments (HAP) contract (HUD forms 52641, Tenancy Addendum 52641-A);
- Basis for determining (reasonable) rent pursuant to 24 CFR 982.158(f)(7);
- Family Portability Information (HUD-52665);
- Request for tenancy approval (HUD-52517);
- Special admission documentation (such as non-waiting list, HUD-targeted assistance provided in accordance with 24 CFR § 982.203);
- Lead-based paint records required by 24 CFR Part 35, Subpart B (**IMPORTANT**: See exclusion, below);
- Move-in/move-out inspection reports (FORM HUD-90106, etc.);
- Disposition of tenant/participant personal property;
- Termination of subsidy;
- Grievance/informal hearing procedures;
- Correspondence with tenants/participants (including notifications, complaints and responses, notices of entry of dwelling unit during tenancy, etc.).

c. Excludes records covered more specifically in this retention schedule or the Local Government Common Records Retention Schedule (CORE) including, but not limited to:
   - Low Income Housing Tax Credit (LIHTC) records covered by HA2014-006 and HA2014-007;
   - Lead-based paint abatement/remediation on agency-owned property, which is covered by CORE series GS50-19-15;
   - Criminal records checks covered by HA60-09-49;
   - Damage claims and collections covered by CORE series GS50-01-10 and GS50-03B-14.

Retain for 6 years after termination of lease or subsidy, whichever is later and expiration of appeal period and conclusion of appeal, if filed then **Destroy**.

6. Waiting Lists (Tenant/Participant)

Records relating to the creation, monitoring, closing, and opening of waiting lists for any/all programs offered by the housing authority.

a. Includes, but is not limited to:

- Opening and closing of waiting lists (public notices, etc.);
- Correspondence to and from applicants relating to the waiting list (update notifications, recertification, change in preference status, interview notification, etc.);
- Removal of applicants from waiting list (non-response, change of circumstances, etc.).

Retain for 3 years after end of fiscal year then **Destroy**.

B. PROGRAMS

1. Family Self-Sufficiency (FSS) Programs

Records relating to participation in a Family Self-Sufficiency (FSS) Program in accordance with 24 CFR § 984 by families receiving public housing and/or low-income housing subsidies pursuant to Title 24 CFR.

a. Includes, but is not limited to:
   - FSS contract of participation (FORM HUD-52650, etc.);
   - Escrow account credit worksheet (FORM HUD-52652, etc.);
   - Records documenting family responsibility fulfillment (training and services, welfare assistance certification, etc.);
   - Escrow account reports;
   - Termination of family's participation (for any reason, including successful completion of program, non-compliance, etc.).

b. Excludes:
   - Tenant/Participant Files covered by HA60-01-52;
   - Financial records, which are covered in CORE – Financial Management.

Retain for 6 years after completion, termination, or expiration of contract of participation then

C. REPORTING

1. Reporting (Applicant/Tenant/Participant-Specific) – Mandatory

Records relating to reports pertaining to **specific applicants, tenants, and/or participants** which are required to be submitted to a regulatory agency in accordance with Title 24 CFR, **where not covered by a more specific records series**.

a. Regulatory agencies may include, but are not limited to:
   - United States Department of Housing and Urban Development (HUD);
   - Department of Homeland Security (DHS);
   - United States Department of Agriculture (USDA);
   - U.S. Citizenship and Immigration Services (USCIS).

b. Records may include, but are not limited to:

- Reports and supporting documentation;
- Confirmation of submission, revisions, corrections, etc.;
- Correspondence, inquiries, etc.

c. Includes, but is not limited to:
   - Notification to U.S. Citizenship and Immigration Services (USCIS) of aliens not lawfully present in the United States pursuant to section 404 of the Welfare Reform Act.

d. Excludes:
   - Reporting which is NOT specific to individual applicants, tenants or participants;
   - Reporting relating to finances, which is covered by CORE series GS2011-189, Reporting/Filing (Mandatory) – Financial Management;
   - Records covered in the Low Income Housing Tax Credit (LIHTC) section of this records retention schedule.

Retain for 3 years after submission of report and until completion of State Auditor's examination report then **Destroy**.

31: EXHIBIT G - TRANSFER POLICY[110]

I. PURPOSE

To establish a policy governing the transfer of participants currently residing in KCHA's subsidized housing programs. While the goal of the Transfer Policy is to maintain the household's occupancy within proximity to their current residence, this policy is designed to give KCHA additional options for accommodating the needs of its clients the option of a transfer of a client to another housing program when KCHA determines such a move is in the best interest of the client and KCHA.

Exceptions to this policy may be made when approved by the Executive Director to carry out an approved relocation plan for a capital project.

II. APPLICABILITY

This policy is primarily applicable to KCHA's Public Housing, Section 8 Housing Choice Voucher and Project-based assistance provided under KCHA's Private Housing, Local/Tax Credit and Mixed Finance programs. However, in limited circumstances, a transfer may be made available to occupants of KCHA's Preservation program site(s) to assist residents with a move out of the property when KCHA determines such a move is the best option available.

A. KCHA will first seek to maintain a Family's occupancy within the program group (See below) under which the household currently resides.

B. This policy **DOES NOT apply** to Transitional Housing and Permanent Supportive Housing operated under contract with KCHA. Current residents of such programs are not permitted to transfer within their program or to other programs as stipulated in individual program and occupancy agreements. (Refer to the Tenant Selection section of the applicable ACOP or Administrative Plan for additional options that may be available to current participants of KCHA affiliated transitional and conditional housing programs).

C. Participants approved to transfer to an alternate housing program (i.e. Public Housing to Project-based subsidy, etc.) will be treated as current participants of the new housing program and will not be subject to standard Housing Authority applicant screening procedures or wait list requirements. **[*Exception*:** Participants transferring into the Private Housing Program, may be required to pass Owner screening. Cost of screening may be passed to the participant.**]**

---

[110] Approved under MTW 12/1/2007

D. Participants transferring to an alternate housing program must meet any eligibility requirements specific to the program and/or unit. Upon transferring, Participants will be subject to the rent policies, rental terms and subsidy parameters that apply to the new dwelling unit and/or program. No transfer will be completed until the Participant signs all paperwork required by KCHA for participation in the new program.

The following program groups will be used to determine housing options available to KCHA under this policy:

A. Program Groups:

1. **KCHA Project-based Subsidy programs:** Includes KCHA's Public Housing units and Mixed-Finance and other Project-based Section 8 units owned and/or managed in partnership with KCHA (i.e. Egis, Greenbridge, Birch Creek and other Project-based Section 8 units located at former Public Housing sites as well as other HOPE VI Private Replacement Housing where the applicant waiting list has been combined with KCHA's Public Housing program waiting list).

    a. In general, this program group can accept transfers from any other group, as determined necessary under this policy. However, individual property constraints may limit transfers to Public Housing units operated under a special "set-aside" program or Project-based units jointly funded under the Low-Income Housing Tax Credit (LIHTC) program.

2. **KCHA Tenant-based Subsidy program:** Includes subsidized units funded through the use of a KCHA Housing Choice Voucher.

    a. Due to limited resources, transfers **into** the Section 8 Housing Choice Voucher (HCV) program may only be considered, on a discretionary basis by KCHA, as a last option when no other suitable unit is available. When a family's wait for an appropriate unit has exceeded the maximum threshold established under this policy, transfer to the Housing Voucher program will be considered as provided in Section IV below. Use of a Housing Voucher in such instance will be at the sole discretion of KCHA.

3. **Preservation Program:** Includes units operated and owned by KCHA under a Preservation program contract administered by HUD's Multi-Family Housing office.

    a. HUD regulations do not allow households to transfer **into** this property from another program group.

III. OBJECTIVES OF THE TRANSFER POLICY

The objectives of the Transfer Policy include the following:

A. To address emergency situations.

B. To fully utilize housing resources available within KCHA's housing programs in a manner that balances the needs of current participants with that of the Housing Authority.

C. To avoid overcrowding or under occupancy of units by ensuring that each Family occupies the appropriate size unit.

D. To facilitate the relocation of a Family when required for modernization or other management purposes.

E. To facilitate relocation of families with inadequate housing accommodations, such as the need for accessibility features not found in the current dwelling unit.

F. To provide an incentive for families to assist in meeting the King County Housing Authority's deconcentration goal.

G. To eliminate vacancy loss and other expense due to unnecessary transfers.

IV. DETERMINING THE APPROPRIATE HOUSING RESOURCE

As stated in Section I above, the Housing Authority will first seek to maintain a Family's occupancy within the **program group** under which the household currently resides. However, under limited circumstances, completion of a transfer to an alternate **program group** (i.e. transferring a Section 8 HCV participant to Public Housing) may become necessary in order to meet the needs of the household and/or the Housing Authority.

Determination of the need to provide assistance under an alternate program group will be made at the sole discretion of the Housing Authority after careful consideration of the facts and documentation received. In determining whether to offer such a transfer, KCHA will evaluate all elements including but not limited to: the individual client's need and urgency of the request; program requirements and regulatory constraints, inventory and turnover; limited resources and availability of other alternative housing options; the number of recent transfers into and out of a program; and, other general considerations of the housing programs. If the evaluation identifies housing resources that can be made available through more than one program, KCHA will have sole discretion regarding the program to which a client's transfer will be approved.

Subsidy under an alternate program group identified in Section II (above) may be provided if a unit of appropriate size, type and location does not exist within the client's current program, or, if such unit does not become available within:

For Category 1 transfers	within 2 Months
For Category 2 transfers	within 12 Months
For Category 3 transfers	within 24 Months
For Category 4 transfers	within 48 Months

All requests that have exceeded the time limits within the appropriate category will be reviewed quarterly to determine if an alternate program group should be used to complete the transfer. Allocation of a Housing Choice Voucher as an available transfer resource will be left to the sole discretion of the Housing Authority – offered only as a last resort following a determination that no other suitable housing is (or will soon be) available. If the Housing Authority's HCV program is over-leased or if HUD funding is deemed to be inadequate, the option of providing HCV vouchers may be suspended at the sole discretion of the Executive Director or their designee.

In addition, the following guidelines will apply in determining the appropriate housing resource for each household:

A. If a resident turns down a suitable unit offered to them as part of their transfer request without good cause, they will not be eligible to receive a voucher, even if they have exceeded the time limits established by category for transfers.

B. In cases of emergency, KCHA reserves the right to immediately consider all housing options available and assign households to an alternate program group. Such determinations will be made based on individual household circumstances and only with the approval of KCHA Executive Director or designee.

C. Current residents approved for transfer under Category 5 (Incentive Transfers) will not be provided the opportunity to transfer to another housing program.

D. The Housing Authority will consider a dwelling unit located within 25 miles of the current residence suitable for purposes of transfer approval. This means that a resident would not be able to turn down a unit without good cause that is offered at a property that is located within 25 miles of their current property.

V. CATEGORIES OF TRANSFERS

Category 1: Emergency transfers. These transfers are necessary when conditions pose an immediate threat to the life, health, or safety of a Family or one of its members. Such situations may involve the need to move a tenant due to:

A. defects of the unit or the building in which it is located that render the current unit uninhabitable;

B. planned modernization work that requires relocation of the household so that work can proceed;

C. the health condition of a family member which results in a determination that the need for the transfer is an "urgent medical necessity";

D. acts of retaliation or a hate crime against a tenant or household member resulting in a determination a transfer is warranted to ensure safety of the household;

E. the documented request of a local law enforcement agency in order to protect the safety of a witness to a crime; or,

F. documented evidence of domestic violence, dating violence, sexual assault or stalking or the threat of physical violence against the resident or member of the resident's household, as defined under the Violence Against Women and Department of Justice Reauthorization **Act** (VAWA) of 2013. Residents seeking protection under VAWA will be required to provide certification of their qualification as a victim of domestic violence as defined under the law prior to approval of any transfer request. Acceptable forms of certification include:

1. A completed HUD-approved certification form;

2. A statement, which you must sign, along with the signature of an employee, agent, or volunteer of a victim service provider, an attorney, a medical professional or a mental health professional (collectively, "professional") from whom you sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, and with the professional selected by you attesting under penalty of perjury that he or she believes that the incident or incidents of domestic violence, dating violence, sexual assault, or stalking are grounds for protection.;

3. A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency that documents the incident of domestic violence, dating violence, sexual assault, or stalking. Examples of such records include police reports, protective orders, and restraining orders, among others.

KCHA's **Emergency Transfer Plan** for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking (see Section XIII of this Exhibit) provides information, including how to request an emergency transfer, confidentiality protections, how an emergency transfer may occur and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the Federal agency that oversees that KCHA is in compliance with VAWA.

Category 2: Immediate administrative transfers. These transfers are necessary in order to:

A. permit a Family needing accessible features to move to a unit with such a feature;

B. allow a dwelling to be available for non-occupancy purposes when the Housing Authority or Owner has determined such use is in the best interest of the community;

C. permit a transfer to/from a unit designated for a specific use (i.e., child care designated unit) to allow the unit to be used for the specific intended purpose; <u>or,</u>

D. permit a family qualifying for a specific type or size of unit to transfer to a Public Housing development in order to address administrative needs.

E. permit recipients of special types of Section 8 vouchers with limited funding from HUD, such as Emergency Housing Vouchers, to move into programs and/or units with a stable funding stream.

   1. This does not include time-limited vouchers, such as Youth Vouchers.

   2. This group may be placed ahead of other transfers in this category in order to avoid a gap in housing.

   3. KCHA may choose to forgo all waiting periods for moving to different programs with this type of transfer. Other procedural items may also be altered due to the unique nature of this group.

F. allow recipients of time-limited Youth Vouchers who are participants in the KCHA Young Adult Prosperity Program (YAPP) to move to a more permanent subsidy.

   1. Transfers of this type will be contingent upon:
      a. the tenant agrees to the forfeiture of any KCHA-managed savings that they have accrued while on the YAPP program.
      b. the tenant being in good standing with YAPP, in addition to being in good standing with their housing program, as detailed below.
      c. written confirmation from a provider associated with the tenant, including KCHA resident services staff, that without ongoing subsidy the family will be at risk of becoming homeless.

   2. To prevent a gap in housing, these transfers may be:
      a. placed ahead of other transfers in this category.
      b. allowed to forgo the waiting period to move into a different housing program.

<u>Category 3</u>: Administrative transfers. A participant will be approved to transfer under this category only once in every 3-year period. The following minimum criteria must be met for transfers in this category: (1) The Family must have been a participant for a minimum of one (1) year prior to the date of the transfer request; **<u>and</u>;** (2) the Family will be required to provide

third party verification that documents the need for the transfer. These transfers are approved in order to:

A. allow a Family to move closer to the head or spouse's place of employment or education when the following criteria are met:

   1. **if to be closer to employment**, the tenant has been employed at the existing job for a minimum of three (3) months and documentation indicates the likelihood that such employment will continue to be ongoing; **or**,

   2. **if to be closer to school**, the tenant is currently enrolled in and attending classes, and documentation indicates the education program is projected to continue for a minimum of one (1) year;

   In both instances, documentation must indicate that the move will substantially reduce the mileage and/ or travel time or costs of the tenant. (See Section IV: Determining the Appropriate Housing Resource for mileage minimum)

B. allow the Family to move closer to a specialized school where one or more of the children in the Family must attend such a school and documentation is provided to demonstrate that attendance at the school is essential to the child's physical or cognitive development. A transfer would not be approved when attendance at the special school is due to a matter of "choice" rather than documented need.

C. allow an Elderly or Disabled household to move closer to a natural support or service provider for a specific stated reason that will improve or eliminate the detrimental affects of the current living situation.

D. other transfers approved by the Housing Authority when a transfer is the only or best way of solving a serious problem. (requires approval of the Executive Director)

Category 4: Occupancy Related Transfers. These transfers are approved in order to correct occupancy standards where the unit size is inappropriate for the size and composition of the family as follows:

A. **Under housed units** – a Family is under-housed when the number of household members residing in the unit would exceed the maximum Occupancy Standards established by the Housing Authority in Section 16 of this plan.

B. **Over housed units** – a Family who resides in a unit larger (i.e. contains more bedrooms) than would be assigned according to Occupancy Standards established by the Housing Authority is considered over-housed.

Review of family composition will be completed at the time of each household's Annual Update (or Lease renewal date or other Re-certification schedule). Participants will be placed on the

transfer list as of the date of their review and selected for transfers within the following guidelines:

A. "Over-housed" families will be prioritized for transfer over those qualifying as "Under-housed" as listed in Section VI (Order of Selection) of this policy.

B. Transfers completed in this category will be limited to a maximum of 4 per month

Category 5: Incentive transfers. These transfers are approved in order to offer incentives to families willing to help meet certain Housing Authority occupancy goals when:

A. the transfer of a family is necessary as part of the Authority's Deconcentration Plan as described in Section 6 (Tenant Selection and Assignment) of the ACOP;

Residents approved for transfer under Category 5 will not be provided the opportunity to transfer to another housing program.

Category RAD Mobility: Mobility Transfers. These transfers are only available for tenants who currently live in a former Public Housing property that was converted to Project-based Section 8 via the HUD Rental Assistance Demonstration (RAD) program. It allows the tenant to move from the property using a Tenant-based voucher.

A. This option is only available to tenants who have lived in the RAD unit for 12 months or more.

B. The number of vouchers issued in this category will be limited to no more than three-quarters of the turnover vouchers issued in a given year.

C. The number of turnover vouchers consists only of vouchers which are pulled from KCHA's general voucher waiting lists. Special purpose vouchers, such as VASH and FUP, are not considered when calculating the cap.

D. When the number of requests for mobility transfers exceeds the cap, names will be held on a transfer list in the order they were received. Tenants will be offered vouchers as they come available.

VI. ORDER OF SELECTION

Transfers will be sorted by the above categories and within each category where applicable by date and time of the approved transfer request. Households will be selected and offered a transfer according to the following:

A. **Transfers in categories 1, 2 and 3** (Emergency, Immediate and Administrative transfers) will be housed ahead of any other families, including those on the applicant waiting list. Emergency transfers (category 1) will be housed ahead of transfers in category 2. Immediate transfers (category 2) will be housed ahead of those in Category 3.

B. **Occupancy-related transfers** (category 4) will be housed after transfers in categories 1-3. "Over-housed" families will be prioritized within Category 4 and pulled from the transfer list at a ratio of 3 for every 1 transfer of those who qualify as "Under-housed". Transfers completed in this category will be limited to a maximum of 4 per month, unless otherwise determined necessary by the Housing Authority in order to meet specific goals or approved by the Executive Director or designee.

C. **Incentive Transfers** (Category 5) will have the lowest priority and will be housed only after needs in Categories 1,2, 3 and 4 have been addressed and only when the transfer meets the Occupancy and Administrative needs of KCHA.

   Units will not be held open for availability to particular transfer group if no eligible household is approved for transfer within such group.

   Exceptions may be made to the order of selection when approved by the Executive Director in cases of documented urgent need.

D. **RAD Mobility Transfers** will be conducted only when issuing non-special purpose tenant-based vouchers from the waitlist. These transfers will not be dependent on the order of selection for categories 1 through 5. Vouchers will be offered in order of the date and time of the approved transfer request.

VII. INABILITY TO LOCATE AN APPROPRIATE HOUSING RESOURCE

This policy is designed to give KCHA additional options for accommodating the needs of its clients in light of the limited housing resources available. In limited circumstances, resulting from the urgency of the request or type of unit needed, it may not be possible to identify an appropriate housing resource within KCHA's subsidized unit inventory. In such instances, KCHA reserves the right to offer a participant a transfer to the Section 8 Housing Choice Voucher (HCV) program.

Availability of the use of the HCV program in this manner is not intended to provide a right to any participant to obtain a Housing Voucher upon approval of a transfer request**.** Any decision to utilize the Section 8 Housing Voucher program as an alternate housing resource will be made at the sole discretion of the Housing Authority's Executive Director (or designee) after careful consideration of the facts and documentation received, including the impact upon HCV resources and competing program needs. Documentation supporting KCHA's determination will be maintained in the participant's file.

A family approved to transfer to the Section 8 Housing Voucher program to permit a move to an accessible unit will not be allowed to utilize the voucher to lease a unit that does not meet the accessibility requirements indicated on the transfer request.

VIII. REJECTION OF A UNIT OFFER

The following is the policy for the rejection of an offer to transfer:

A. If the Family rejects **with good cause** any unit offered, they will not lose their place on the transfer waiting list. **Good Cause** is defined as:

1. Reasons related to health and safety, proximity to work, school and childcare (for those working or going to school); or,

2. Documented situations where an applicant is temporarily unable to move at the time of the offer (such as major surgery requiring a period of time to recuperate, or serving on a jury.); or,

3. Refusal (turndown) of a zero-bedroom apartment (alcove unit) by a household that includes more than a single (one) individual; or

4. Refusal (turndown) of a transfer to a Project-based or Tenant-based Section 8 subsidy (or unit) by a "Mixed Family" (see definition in Section 2) when the mixed family "prorated rent" calculation procedures of the new subsidy (or unit) would result in a rent that is not affordable for the household.

B. **If the transfer is being made at the request of the Housing Authority and/or Owner** and the Family rejects two offers without good cause, the Housing Authority and/or Owner will take action to terminate their tenancy and/or subsidy.

1. If the reason for the transfer is that the current unit is too small to meet the Housing Authority or Owner's optimum occupancy standards, the Family may request in writing to stay in the unit without being transferred so long as their occupancy will not exceed two people per living/sleeping room.

2. Exception for families over-housed in a RAD property at the time of conversion: If the Family lives in a RAD property and was over-housed at that property at the time of RAD conversion then:

   a. Unit offers at properties other than the covered RAD project after the first turndown do not count toward the unit offer rejections. Termination of tenancy and/or subsidy after the second unit rejection is not allowed, per HUD rules.

   b. Units may continue to be offered to the over-housed tenant.

c. When an appropriately sized unit is offered to the tenant at their RAD property, they must move to that unit per the timelines in this policy.

3. Rejection of an appropriately sized unit offered to the tenant at the RAD property without good cause will lead to termination and/or loss of subsidy.

C. **If the transfer is being made at the Family's request**, and the Family rejects a unit offer without good cause the Housing Authority will cancel the transfer request and remove the Family from the transfer list.

D. **If the transfer request is a reasonable accommodation request** and a suitable unit is offered by the HA and subsequently turned down by the resident without good cause as described in Section IX-A, the reasonable accommodation request will be considered closed.

E. **"Over-housed" families** will receive a one-time $200 payment if they accept the first suitable unit offered to them. (Applies to Greenbridge or KCHA managed properties only)

F. **Over-housed families** who refuse to accept a transfer to an offered unit without good cause (see VIII.A above) will be charged a monthly use (surcharge) fee until they move to a suitably sized unit. The charge will be calculated as the difference between KCHA's (1) Payment Standard for the family's current unit size and (2) the Payment Standard for the unit size for which the family actually qualifies.

IX. COST OF THE FAMILY'S MOVE

A. The cost of the transfer will be the responsibility of the Family except when approved under the following circumstances:

B. When the transfer is needed at the request of KCHA in order to carry out rehabilitation or modernization activities;

C. When action or inaction by the Housing Authority has caused the unit to be unsafe or inhabitable; or,

D. When the transfer is part of an approved reasonable accommodation request.

Where it is determined that the cost of the transfer is the responsibility of the Housing Authority, the Housing Authority will reimburse the tenant for the reasonable costs associated with the move, as determined by the Housing Authority.

X. TENANTS IN GOOD STANDING

When the transfer is at the request of the Family, it will not be approved unless the Family is in good standing with the King County Housing Authority and/or their current Owner. This means the Family must be in compliance with their lease, current in all payments to the Housing Authority or Owner, and must pass a housekeeping inspection, if required by the individual program from which the Family will move.

XI. TENANT REQUESTED TRANSFERS

A tenant may request a transfer at any time by completing a transfer request form. In considering the request, the Housing Authority may request a meeting with the tenant to better understand the need for transfer and to explore possible alternatives. The tenant will be required to provide supporting documentation regarding their request. The Housing Authority will review the request in a timely manner and if a meeting is desired, it shall contact the tenant within ten (10) business days of receipt of the request to schedule a meeting.

The Housing Authority will approve or deny the transfer request in writing within ten (10) business days of receiving the request or holding the meeting, whichever is later.

If the transfer is approved, the Family's name will be added to the appropriate transfer waiting list.

If the transfer is denied, the denial letter will advise the Family of their right to utilize the grievance procedure applicable to their current housing program.

XII. RIGHT OF THE HOUSING AUTHORITY IN TRANSFER POLICY

The provisions listed above are to be used as a guide to insure fair and impartial means of assigning units for transfers. It is not intended that this policy will create a property right or any other type of right for a tenant to transfer or refuse to transfer.

XIII. EMERGENCY TRANSFER PLAN FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

A. Emergency Transfers

In accordance with the Violence Against Women Act (VAWA)[111], the King County Housing Authority (KCHA) allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the

[111] Despite the name of this law, VAWA protection is available to all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.[112] The ability to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether HP has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan identifies who may be eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the Federal agency that oversees that **KCHA** is in compliance with VAWA.

B. Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if the tenant:

1. reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit; **or**
2. is a victim of sexual assault that occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Whether or not a tenant is in good standing does not impact their ability to request or be approved for an emergency transfer under VAWA.

C. Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall:

1. notify the Housing Authority and submit a written request for a transfer.
   a. Tenants in the Housing Choice Voucher (Section 8) program should contact their Housing Specialist. To locate the Housing Specialist contact information go to https://www.kcha.org/contact/section-8 or call (206) 214-1300.
   b. Tenants living in a KCHA Property should contact their Property Management Office. Phone numbers for these offices are found at https://www.kcha.org/contact/offices.

[112] Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

c. KCHA will provide reasonable accommodations to this policy for individuals with disabilities.

2. The tenant's written request for an emergency transfer should include either:
   a. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under HP's program; **or**
   b. In the case of a tenant (or household member) who is a victim of sexual assault, either:
      i. A statement that the tenant reasonably believes there is a threat of imminent harm from further violence or trauma if the tenant (or household member) stays in the same dwelling unit, or
      ii. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.
3. If the written request for an emergency transfer does not include the required statement, the tenant shall have 14 business days to provide such a statement. After that, a new request for an emergency transfer must be initiated by the tenant.

D. Priority for Transfers

Tenants who qualify for an emergency transfer under VAWA will be given priority over other categories of tenants seeking transfers as a Category 1 Transfer, as described above in this Exhibit.

E. Confidentiality

If a tenant inquires about or requests any VAWA protections or represents that they or a household member are a victim of VAWA violence/abuse entitled to VAWA protections, KCHA must keep any information they provide concerning the VAWA violence/abuse, their request for an emergency transfer, and their or a household member's status as a victim strictly confidential. All the information provided by or on behalf of the tenant to support an emergency transfer request, including information on the Certification Form (HUD-5382) and the Emergency Transfer Request Form (HUD-5383) (collectively referred to as "Confidential Information") may only be accessed by KCHA employees or contractors if explicitly authorized by KCHA for reasons that specifically call for those individuals to have access to that information under applicable Federal, State, or local law.

Confidential information must not be entered into any shared database or disclosed to any other entity or individual, except if:

1. the tenant gives KCHA written permission to release the information on a time limited basis, **or**
2. it is required for use in an eviction proceeding or hearing regarding termination of assistance; or
3. otherwise required by applicable law.

This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice of Occupancy Rights under the Violence Against Women Act For All Tenants for more information about KCHA's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

F. Emergency Transfer Timing and Availability

KCHA cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. KCHA will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. KCHA may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If KCHA has no safe and available units for which a tenant who needs an emergency is eligible, KCHA will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, KCHA will also assist tenants in contacting local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

G. Making the Emergency Transfer Plan Available

As part of program policy documents, KCHA's Emergency Transfer Plan is publicly available, both on https://www.kcha.org/about/policies and by request at any KCHA management office. Alternate formats of these documents are available upon request.

All VAWA forms are available in languages other than English, accessible at https://www.kcha.org/vawa or by requesting them from any KCHA management office.

H. Safety and Security of Tenants

During processing and following completion of the transfer, the tenant is urged to take all reasonable precautions to be safe. The following resources are provided for informational purposes to assist in increasing client safety and security. However. **IN CASES OF EMERGENCY, dial 9-1-1.**

1. Victims of domestic violence are encouraged to contact the **National Domestic Violence Hotline at 1-800-799-SAFE (7233)**. You may also reach them online at https://www.thehotline.org/here-for-you/

a. For persons with hearing impairments, the hotline may be reached by calling **1-800-787-3224 (TTY)**.

2. Victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE (4673), or visit the online hotline at https://ohl.rainn.org/online/

3. Victims of domestic violence and stalking seeking help may visit the National Center for Victims of Crime's Victim Connect Resource Center at https://victimconnect.org/.

4. Additional Local Resources:
   a. Tenants may contact a local domestic violence shelter for assistance in creating a safety plan.
   b. KCHA Resident Services staff, may be able to provide additional resources, please contact your Property Manager or Section 8 Program representative.
   c. Local organizations assisting victims of domestic violence, dating violence, sexual assault, or stalking can be located via the Washington State Coalition Against Domestic Violence webpage https://wscadv.org/washington-domestic-violence-programs/

32: EXHIBIT H- CONFIDENTIALITY OF TENANT RECORDS

I. GENERAL POLICY

It shall be the policy of the HA to comply with the Federal Privacy Act of 1974, particularly as it relates to the protection of both Applicant and Tenant records. Implementation of this policy shall be in accordance with the rules set forth in 24 CFR Part 16 and 42 CFR Part 2. All HA employees, commissioners, officers, and consultants shall be bound by the requirement that all Tenant/Applicant information shall be kept strictly confidential. Any requests for information which are not clearly defined below are to be referred to the Housing Authority's Central Office for review and approval.

II. DATA COLLECTION AND DISCLOSURE

All Applicant or Tenant records in a HA sponsored program must be stored in a confidential manner and will be made available to HA employees, (or authorized persons) upon a "need to know" basis. The following lists specific examples of when information may be released:

1. Tenant/Applicant records may be disclosed pursuant to a written request signed by all individuals to whom the records pertain.

2. Tenant/Applicant records may be disclosed to employees within the Housing Authority who need the records to perform their duties.

3. Tenant/Applicant records may be disclosed to other public housing authorities to whom the tenant applies for tenancy.

4. Tenant/Applicant records may be disclosed to the United States Department of Housing and Urban Development.

5. Tenant/Applicant records may be disclosed to other federal and state agencies with a right to know.

6. Tenant/Applicant records may be disclosed pursuant to a lawfully issued subpoena or court order or as otherwise required by law.

7. Tenant/Applicant records may be disclosed to another agency or governmental entity for a civil or criminal law enforcement purpose if the agency or governmental entity has made a written request specifying the information desired and the law enforcement activity involved.

The HA requires that records be kept of any disclosure that it does make. The record must show (at a minimum) the date, nature and purposed of each disclosure, as well as the name and address of the person or agency to whom the disclosure was made.

III. SPECIAL PRIVACY AND CONFIDENTIALITY RULES RELATING TO CRIMINAL RECORDS

In determining eligibility/suitability for housing assistance, the HA will require that all adult family members declare any previous criminal history and to sign a consent form authorizing the release of criminal records to the HA.

The HA will ensure that all criminal records obtained for this purpose are maintained in a manner that is strictly confidential, allowing access to the information only to those employees, officers, or HA representatives who have a job-related "need to know". Such information shall not be misused or improperly disseminated and will be destroyed once the purpose for which it was obtained is accomplished. Upon request the HA will provide a copy of the criminal record directly to the person for whom it was obtained and, in the case of the receipt of adverse information, provide the applicant with an opportunity to dispute the accuracy or relevancy of the record.

IV. HA GUIDELINES ON RELEASE OF INFORMATION

1. Information Requested Regarding Current HA Participants/Applicants

a. Requests must be specific as to the information sought and must be in writing. Documentation must include: date, nature and purpose of such disclosure, and the name and address of the person or agency to whom the disclosure is made.

b. Any requests for information made by journalists must be referred to the Central Office unless otherwise directed.

c. For statistical research, information may be given by the Area Office as long as the information/data is transferred in a form that does not identify individuals.

2. Information Requested Regarding Former HA Participants/Applicants

a. Requests must be specific as to the information sought and must be in writing.

b. Released information must be provided in short, specific terms that can be easily supported by proper file documentation. Narrative comments, **especially opinions**, are to be avoided.

c. Regarding rental delinquencies, the number of "valid" delinquencies may be given, however, it is the Manager's responsibility to ensure that proper consideration is

given to those delinquencies where an agreement had been reached or where there were mitigating circumstances.

d. Regarding inquires about complaints lodged against the Family, negative information about the Family is not to be given out unless it has previously been thoroughly evaluated by the management staff and efforts had been made to assist the Family in correcting the problem area(s).

e. Always keep in mind that anything negative put down in writing goes out with the Managers signature, making the Manager liable for any inaccuracies or charges that cannot be supported. If in doubt, always give a positive response.

33: EXHIBIT I- (RESERVED)

34: EXHIBIT J - Housing Choice Voucher Program Client Assistance Policy

The King County Housing Authority provides a range of client assistance support to KCHA voucher holders to successfully lease up and stay housed. The types of assistance outlined in this policy, including unit holding fees, move-in assistance, deposit assistance and housing stability, are defined below. On a case-by-case basis, exceptions to this policy may be made with the approval of a Department Director.

The assistance outlined in this policy is offered only when dedicated funding is available.

All funds distributed through this policy must be made payable to KCHA approved third party landlords or vendors. No funds shall be paid directly to an HCV participant household. Upon move-out, any deposits refunded by a landlord will belong to the HCV participant household.

This Client Assistance Policy replaces all previous policies.

A. Unit Holding Fees (HASP and VASH Only)

1. Definition: A fee paid to a landlord to hold a unit in KCHA's jurisdiction.
2. Eligible Households: Newly issued KCHA voucher holder with a HASP or VASH voucher. Port-in voucher holders are not eligible. Households leasing up in a unit where KCHA has allocated Project-based assistance are not eligible.
3. Eligible Expenses: Fees paid to a landlord who has agreed to hold a unit for an unidentified voucher holder or for a voucher holder who has not yet signed a formal lease.
4. Maximum amounts: Holding fees are capped at one month's full contract rent for the applicable unit. The amount of the holding fees is negotiated on a case-by-case basis and any unused portion of the fee is applied to the HCV participant's move-in related expenses charged by the landlord.

B. Move-in Assistance (HASP and VASH Only)

1. Definition: Fees paid to a landlord or other third party to cover a range of fees including, but not limited to, application fees, deposit assistance and utility deposit fees required to establish new service.
2. Eligible Households: Newly issued KCHA HASP or VASH voucher holder. Port-ins, households moving with HCV assistance and households moving between KCHA subsidy programs are not eligible. Eligible households must be leasing up in KCHA's jurisdiction or in a unit where KCHA has allocated Project-based assistance.

3. Eligible Expenses: Allowable uses of funds include but are not limited to:
    a. Application, screening and administrative fees payable to the landlord.
    b. Required deposits, including pet deposits, established in the lease and payable to the landlord.
    c. Utility deposit fees payable to the utility vendors as required to establish service necessary to make the unit habitable including water, sewer, gas, electricity and garbage. Fees to establish services similar to telephone and cable are not eligible expenses.
4. Maximum amounts: Total move-in assistance payable on behalf of a HASP or VASH voucher holder is limited to one month's payment standard for the applicable unit. Maximum amounts do not include unit holding fees paid on behalf of the HASP or VASH voucher holder.

C. Deposit Assistance

1. Definition: Payments made on behalf of an eligible household to a landlord to cover all or a portion of the required deposits, except pet deposits, established in the lease.
2. Eligible Households: Newly issued KCHA voucher holder with the exception of HASP and VASH voucher holders. (See Sections A, B and D of this policy for assistance available for HASP and VASH voucher holders.) Port-ins, households moving with HCV assistance, households moving between KCHA subsidy programs and households leasing up in KCHA managed properties are not eligible. Eligible households must be leasing up in KCHA's jurisdiction or in a unit where KCHA has allocated Project-based assistance.
3. Eligible Expenses: Required deposits, excluding pet deposits, established in the lease and payable to the landlord.
4. Maximum amounts: The total security deposit assistance payable under this policy is limited to the lower of the actual contract security deposit or:
    a. $900 for a studio and one bedroom voucher
    b. $1,100 for a two bedroom voucher
    c. $1,300 for a three bedroom voucher
    d. <u>$1,800 for a four bedroom voucher</u>
    e. <u>$2,150 for a five bedroom voucher</u> or greater

D. Housing Stability Assistance (HASP Only)

1. Definition: Financial assistance payable to third parties that assists voucher holders to remain housed when they are at risk of losing their housing due to non-payment of rent, utilities, etc.

2. Eligible Households: KCHA issued HASP voucher holders at risk of losing their housing and leased up in KCHA's jurisdiction or in a unit where KCHA has allocated Project-based assistance. Port-in voucher holders are not eligible.
3. Eligible Expenses: Allowable uses of funds include but are not limited to:
    a. Back rent and related fees (excluding amounts due to KCHA) and payable to the landlord.
    b. Non-rent related expenses, including damage fees, payable to the landlord. Retro Rent fees due to KCHA are not eligible expenses.
    c. Fees payable to a third party service provider that supports housing stability (e.g. housekeeping and supportive services related to hoarding).
    d. Moving assistance including but not limited to deposit assistance when a household is required to move to avoid legal actions (e.g. an eviction) and/or homelessness.
    e. Utility payment arears payable to the utility company.
4. Maximum amounts: Total housing stability assistance available in one calendar year is limited to one month's payment standard.

35: EXHIBIT K- HQS GUIDELINES FOR INSPECTORS

This exhibit serves as a resource to set consistent guidelines for situations which an HQS inspector may encounter.

A. Furnaces

1. KCHA may require professional certification to verify the safety or operation of fuel burning heating appliances such as oil and gas furnaces.

2. When a furnace is not visible or the inspector cannot determine the safety of the equipment, professional certification may be used to verify safety and adequacy of the heating system.

B. Site and Neighborhood conditions

1. Garbage and Debris: Excessive debris on the property must be removed as it presents a hazard.

   a. Debris may be considered excessive if it would take more than 2 hours to clean up.

   b. Examples of debris include - piles or bags of refuse, appliances or excessive plant growth.

2. Automobiles:

   a. All vehicles on the property that are in disrepair and their physical condition (i.e. broken windows, up on jacks, sharp metal edges, etc.) constitute a safety hazard. Such hazards must be corrected through the removal or repair of the vehicle.

   b. Vehicles not parked in areas designed for parking or left parked in landscaped areas such as lawns or gardens, may have an adverse impact on site and neighborhood conditions.

36: EXHIBIT L- (RESERVED)

37: EXHIBIT M- LEAD BASED PAINT REGULATIONS

I. GENERAL POLICY

New Lead-based paint regulations set hazard reduction requirements giving much greater emphasis to reducing lead in house dust thereby reducing the exposure to young children. The Housing Authority, as part of its regular initial or annual inspection process, will conduct a visual evaluation of the interior and exterior painted surfaces including common areas, stairways, boundary fences and garages during the initial and periodic inspections of the rental property. The inspector will look for **any signs of deteriorated** paint such as peeling, chipping, chalking or cracking, of any paint or coating located on the interior or exterior surface that is otherwise damaged or separated from the substrate.

King County Housing Authority strongly urges landlords to regularly inspect their property and remove any defective paint according to the Federal requirements prior to the initial or annual inspection. A good owner maintenance program is the easiest solution to prevent paint problems from occurring.

If the unit was built before 1978, and is expected to be or is occupied by a family with a child under 6 years of age, the regulations require the owner to perform "paint stabilization" activities using "safe work practice" on all surfaces above the de minimis level until a risk assessment has been performed and the owner has received the a written report.

De Minimis Levels- Safe work practices and clearance **are not** required when maintenance and hazard reduction activities do not disturb painted surfaces that total more than (a) 20 square feet on exterior surfaces (this is an area about 4 feet 6 inches on each side); (b) 2 square feet in any one room or space (this is a square about 17 inches on each side); or (c) 10 percent of the total surface area on an interior or exterior component with a small surface area such as window sills and trim.

Once the report has been received, the Housing Authority will exempt from such treatment defective paint surfaces that are found in a report prepared by a Certified EPA Lead-based Paint Risk Assessor or Lead Paint Inspector not to be lead based.

In our continued effort to partner with landlords, King County Housing Authority is committed to making this process as efficient as possible and will assist in providing information and resources to landlords and participants at their request.

II. HUD STANDARDS FOR STABILIZING DETERIORATED PAINT

During the initial and annual inspection the Housing Authority will visually inspect the unit for deteriorated paint. This notice will provide directions on how to complete paint stabilization if the unit was built before 1978.

Loose, peeling or cracking paint may contain lead and therefore poses a serious health hazard for children under the age of 6 years.

TIME FRAME TO COMPLETE REPAIRS

- Paint stabilization must be completed prior to occupancy.
- In case of an annual inspection, paint stabilization must be completed within 30 days of notification of deteriorated paint.
- Failure to complete paint stabilization within the designated time frame will result in housing assistance payments being abated or terminated.

SURFACE REPAIR

- **Deteriorated surfaces:** Any physical defect on a painted surface must be repaired before treating the surface.
- **Remove Loose Paint:** All loose paint or other loose material should be removed from the surface to be treated.
- **Apply New Paint:** Paint stabilization includes the application of a new protective coating of paint. The surface must be dry and protected from future moisture damage before applying new protective coating or paint.

ACCEPTABLE TREATMENT METHODS

- Wet scraping or sanding.
- Chemical stripping on or off site.
- Replace painted components.
- Scraping with an infrared or coil –type heat gun with temperatures below 1,100 degrees F.
- HEPA vacuum sanding.
- HEPA vacuum needle gun.

- Abrasive sanding with HEPA vacuum.
- Covering of defective paint surfaces with durable materials such as wallboard or vinyl siding with joint sealed and caulked.

PROHIBITED METHODS

- Open flame burning or torching.
- Machine sanding or grinding without HEPA local exhaust.
- Abrasive blasting or sandblasting without HEPA exhaust.
- Uncontained hydroblasting and high-pressure water washing.
- Heat guns operating above 1,100 degree F or charring pt.
- Dry scraping or dry sanding except in conjunction with heat guns or within 1 foot of electrical outlets.
- Paint stripping in a poorly ventilated space using a volatile stripper that is a hazardous substance.

NEW PROTECTIVE COATING

- Apply a new protective coating or paint over area(s) that had paint removed.

TRAINING AND SUPERVISION

- It is strongly recommended that you use certified contractors when performing any operation beyond routine maintenance.
- The individual performing the paint stabilization must be trained in accordance with OSHA's Hazard Communication regulations (29CFR 1926.59). **In addition, the individual must meet <u>one</u> of the following:**
    - A certified abatement supervisor supervises the work of the individual performing the paint stabilization.
    - The supervisor has successfully completed an accredited abatement supervisor course.
    - The individual has successfully completed an accredited Lead-based paint abatement worker course.

- The individual has successfully completed the Lead-based Paint Maintenance Training Program developed by the National Environmental Training Association of the Remodeling Industry.
- The individual has successfully completed the Remodeler's and Renovator's Lead-based Paint Training Program Developed by HUD and the National Associated of the Remodeling Industry.
- The individual has successfully completed the equivalent course approved by HUD.

SAFE WORK PRACTICES AND OCCUPANT PROTECTION

The following safe work practices help minimize and control the spread of lead-contaminated dust and debris while protecting workers and residents from exposure to lead:

- Cover yourself; wear eye protection, a respirator and proper clothing.
- Cover the ground; seal off vents and doorways with poly sheeting.
- Tenants shall not be permitted to enter the work site during stabilization.
- Personal belongings should be relocated and covered.
- Soil and playground equipment must be protected from contamination during treatment.
- Waste/debris must be disposed of per all State and Local applicable law.
- These safe work practices are NOT required when paint stabilization disturbs painted surfaces that total less than the following "*De Minimis Levels":*
  - 20 sq.ft. on exterior surface.
  - 2 sq. ft. in any one interior room or space.
  - 10% of total surface area on an interior or exterior component with a small surface area. Examples: Windowsill, baseboards, trim, etc.

CLEANING

- The work site must be thoroughly cleaned to remove lead-based paint dust.
- Clean washing surfaces with a lead specific detergent or its equivalent.
- Vacuum cleaners with HEPA (High Efficiency Particulate Accumulator) filters should be used during cleanup.

- Waste and Debris must be disposed of properly.

III. CLEARANCE REPORT

A Clearance Examination is the last step of paint stabilization and includes the following:

- A Visual assessment of the treatment.
- Collection of dust samples.
- An EPA certified lead-based paint inspector or risk assessor or certified clearance technician must conduct clearance.
- Clearance exams are not required when deteriorated paint is less than the "De Minimis Levels".

NOTICE TO OCCUPANTS

- A clearance report must be prepared by a Certified clearance examiner and provided to the tenant within 15 days of the completion of the lead Hazard reduction activities.
- The Housing Authority will require a copy of this notice for the tenant file.
- The unit must pass clearance and the form must be signed and returned to the Housing Authority before unit can pass inspection.

ON GOING MAINTENANCE

- You must institute ongoing maintenance of painted surfaces and safe work practices. Once a year, visually assess painted surfaces to identify deterioration. Stabilize any deteriorated paint. Use safe work practices.

ELEVATED BLOOD LEAD LEVEL (EBLL) CHILDREN

- Special procedures are required if a child under the age of 6 years residing in a subsidized unit is identified with an EBLL (Lead Poisoning). When you become aware of this situation, immediately contact the Housing Authority and your Local Health Department.

EXEMPTIONS

- The Housing Authority may exempt from such treatment defective paint surfaces that are found in a report prepared by a certified Lead-based inspector not to be Lead-based.

38: EXHIBIT N- (RESERVED)

39: EXHIBIT O- LIST OF MAJOR AND MINOR FAIL ITEMS

	A	B	C	D	E	F
1	Item #	Seq.	Description	Minor	Major	Depends
2	Basement	4.06	Basement Ceiling Condition tenant states there is an ongoing ceiling leak around hall light		x	
3	Basement	4.06	Basement Ceiling Conditions Fixture please check and repair			x
4	Bathroom	3.01	3rd Bath Bathroom Present downstairs bathroom toilet broken		x	
5	Bathroom	3.02	Bath Electricity bad light switch main bath	x		
6	Bathroom	3.03	Bath Electrical Hazards sink faucet has constant drip	x		
7	Bathroom	3.03	Bath Electrical Hazards need light bulbs in fixture, and working	x		
8	Bathroom	3.04	Bath Security Bathroom door won't latch	x		
9	Bathroom	3.04	2nd Bath Security door to downstairs bath needs to close and latch, door warped	x		
10	Bathroom	3.04	3rd Bath Security Slider door lock not working	x		
11	Bathroom	3.05	3rd Bath Window Conditions Rear bath leak around window		x	
12	Bathroom	3.06	Bath ceiling conditions repair ceiling cracks/holes			x
13	Bathroom	3.06	Bath ceiling conditions repair and finish ceiling	x		
14	Bathroom	3.06	Bath Ceiling Conditions roof leaking into upstairs bathroom ceiling and fan		x	
15	Bathroom	3.06	Bath Ceiling Conditions there is soft plaster by exhaust fan, please check for leak and repair		x	
16	Bathroom	3.06	2nd Bath Ceiling Conditions Ceiling shows signs of leaking when it rains Please check and repair		x	
17	Bathroom	3.07	Bath wall conditions wall is soft by the toilet area		x	
18	Bathroom	3.07	Bath Wall Conditions repair wall decay	x		
19	Bathroom	3.07	2nd Bath Wall Conditions repair wall holes/cracks	N/A		
20	Bathroom	3.07	2nd Bath Wall Conditions hole in wall above master tub.		x	
21	Bathroom	3.1	Flush toilet toilet runs constantly	x		
22	Bathroom	3.1	Bath Flush Toilet flush lever does not work properly	x		
23	Bathroom	3.1	2nd Bath Flush Toilet supply line to toilet appears to be leaking		x	
24	Bathroom	3.1	Bath Flush Toilet Toilet seat missing	x		
25	Bathroom	3.1	2nd Bath Flush Toilet Toilet not flushing in master bathroom		x	
26	Bathroom	3.1	2nd Bath Flush Toilet Master bathroom toilet flush chain broken		x	
27	Bathroom	3.11	Fixed wash basin sink faucet faucet won't shut off		x	
28	Bathroom	3.11	Fixed wash basin handle missing on cold water valve		x	
29	Bathroom	3.11	3rd Bath fixed wash basin downstairs bathroom sink plugged		x	
30	Bathroom	3.11	Bath Fixed Wash Basin cold water knob on sink stripped		x	
31	Bathroom	3.11	2nd Bath Fixed Wash Basin sink has a constant drip from faucet	x		
32	Bathroom	3.11	2nd Bath Fixed Wash Basin small leak under sink		x	
33	Bathroom	3.11	Bath Fixed Wash Basin faucet leaking --Repair	x		
34	Bathroom	3.11	2nd Bath Fixed Wash Basin sink and tub leaks			x
35	Bathroom	3.11	2nd Bath Fixed Wash Basin 1/2 bath sink dripping	x		
36	Bathroom	3.11	Bath Fixed Wash Basin clear drain blockage		x	
37	Bathroom	3.11	Bath Fixed Wash Basin Pipe under sink still wet, signs of leaking on board underneath		x	
38	Bathroom	3.11	Bath Fixed Wash Basin Pipe under sink wet, please check and reseal		x	
39	Bathroom	3.11	3rd Bath Fixed Wash Basin Sink leaks in small bathroom		x	
40	Bathroom	3.11	2nd Bath Fixed Wash Basin Sink leaks underneath		x	
41	Bathroom	3.11	2nd Bath Fixed Wash Basin Hot water faucet knob broken in master bathroom		x	
42	Bathroom	3.11	Bath Fixed Wash Basin Sink hot water drips constantly & pipes leak under sink (0)		x	
43	Bathroom	3.12	Bath Tub or Shower not draining		x	
44	Bathroom	3.12	Bath Tub or Shower shower won't turn on - downstairs bath		x	
45	Bathroom	3.12	Bath Tub or Shower furnish hot running water to fixture			x
46	Bathroom	3.12	Bath Tub or Shower repair shower operation			x

	A	B	C	D	E	F
1	Item #	Seq.	Description	Minor	Major	Depends
47	Bathroom	3.12	Bath Tub or Shower hardly any hot water to shower, check pipes and divertor		x	
48	Bathroom	3.12	Bath Tub or Shower please repair the peeling paint in the tub			x
49	Bathroom	3.12	2nd Bath Tub or Shower Black mold growing around shower handle	x		
50	Bathroom	3.12	2nd Bath Tub or Shower Shower handle broken in master bath		x	
51	Bathroom	3.12	Bath Tub Or Shower Wall tub surround rot replace		x	
52	Bedroom	4.01	Bedroom 2 (2nd Fl Front Center) Room Code ctr/frnt bed-hole in wall needs patched correctly	x		
53	Bedroom	4.02	Bedroom 3 Electrical/Illumination tenant states that Master Bedroom light is shorted		x	
54	Bedroom	4.03	Bedroom 2 Electrical Hazards install plug in electrical panel opening		x	
55	Bedroom	4.03	Bedroom 2 (1st Fl Front Left) Electrical Hazards move bed 4-6 in from heat source	x		
56	Bedroom	4.03	Bedroom 2 (1st Fl Center Left) Electrical Hazards heater not working properly		x	
57	Bedroom	4.04	Bedroom 2 (1st Fl Back Right) Security need door on all sleeping rooms	x		
58	Bedroom	4.05	Window Condition repair window to open and close easily	x		
59	Bedroom	4.05	Bedroom 2 (1st Fl Front Left) Window Conditions window(s) must close and latch properly		x	
60	Bedroom	4.05	Bedroom 2 (1st Fl Front Left) Window Conditions not locking		x	
61	Bedroom	4.05	Bedroom 3 (2nd Fl Back Right) Window Conditions window(s) must close and latch properly	x		
62	Bedroom	4.05	Bedroom 2 (1st Fl Front Left) Window Conditions move bed away from in front of window	x		
63	Bedroom	4.05	Bedroom 2 (1st Fl Back Right) Window Conditions window(s) must close and latch properly		x	
64	Bedroom	4.05	Bedroom 2 (1st FL Back Right) Window Conditions window not locking		x	
65	Bedroom	4.05	Bedroom 1 (1st Fl Front Left) Window Conditions window broken/already ordered		x	
66	Bedroom	4.05	Bedroom 2 Window Conditions Window lock notworking. Thumb screw locks not acceptable		x	
67	Bedroom	4.06	Ceiling conditions please repair holes in the ceiling			x
68	Bedroom	4.06	Bedroom 2 Ceiling Conditions tenant states water spots forming on ceiling when it rains		x	
69	Bedroom	4.06	Bedroom 2 Ceiling Conditions tenant states water spots forming on ceiling when it rains		x	
70	Bedroom	4.07	Bedroom 2 (2nd Fl Front Center) Wall Conditions ctr/frnt bed - remove clothes to make a 3 ft path around bed	x		
71	Bedroom	4.08	Bedroom 2 Floor Conditions patch flooring and/or floor hole		x	
72	Bedroom	4.08	Bedroom 2 Floor Conditions carpet is shredded by doorway	x		
73	Bedroom	4.08	Bedroom 3 (2nd Fl Back Left) Floor Conditions repair or replace torn carpet	x		
74	Bedroom	4.08	Bedroom 1 (1st Fl Front Left) Floor Conditions clutter every where unit needs to be free of clutter			x
75	Bedroom	4.1	Smoke Detectors secure smoke detector - 24 hour repair		x	
76	Bedroom	4.1	Bedroom 2 (1st Fl Back Left) Smoke Detectors secure smoke detectors	x		
77	Bedroom	4.05	Bedroom 1 Conditions Window lock not catching when closed - 1st bedroom		x	
78	Bedroom	4.08	Bedroom 3 (2nd Fl Back Left) Floor Conditions patch flooring and/or floor hole		x	
79	Building Exterior	6.02	Exterior Condition Stairs Rails Porches door needs to close and lock		x	
80	Building Exterior	6.02	Exterior Condition Stairs Rails Porches several rotted boards on deck		x	
81	Building Exterior	6.02	Exterior Condition Stairs Rails Porches metal railing is rusted through and very loose		x	

	A	B	C	D	E	F
1	Item #	Seq.	Description	Minor	Major	Depends
82	Building Exterior	6.02	Exterior Condition Stairs Rails Porches secure carpet in common hall at transition	x		
83	Building Exterior	6.02	Exterior Condition Stairs Rails Porches broken railing on the lower stairs		x	
84	Building Exterior	6.04	Exterior Condition Exterior Surfaces deck and rails needs painting			x
85	Building Exterior	6.04	Exterior Condition Exterior Surfaces tiles not installed on deck			x
86	Dining Room	4.03	Dining Room Electrical Hazards heater not working properly		x	
87	Dining Room	4.04	Security doorknob from dining room to carport not working		x	
88	Dining Room	4.04	Dining Room Security sliding glass door won't lock. Fix or attach a chain lock or pin		x	
89	Dining Room	4.07	Dining Room Wall Conditions repair or replace slider lock		x	
90	er	4.07	Hall Wall Conditions handrail came off, in hall stairs		x	
91	Exterior	6.01	Exterior Condition Of Foundation Secure crawl space cover	x		
92	Exterior	6.02	Exterior Condition Stairs Rails Porches handrail loose out front, nails sticking out		x	
93	Exterior	6.02	Exterior Condition Stairs Rails Porches repair rotted, missing railing		x	
94	Exterior	6.02	Exterior Condition Stairs Rails Porches Stairs/Rails/Porches/Decks must be free of missing/broken/Rotting		x	
95	Exterior	6.02	Exterior Condition Stairs Rails Porches repair or replace deteriorated section(s) of porch deck		x	
96	Exterior	6.02	Exterior Stairs Rails Porches both motion detector lights not working, in carport and by back	x		
97	Exterior	6.02	Exterior Condition, Stairs Rails Porches Deck boards are dryrot - replace		x	
98	Exterior	6.02	Exterior Condition, Stairs Rails Porches need handrail on stairway to back parking lot from back right stairway		x	
99	Exterior	6.02	Exterior Condition Stairs Rail Porches Need handrail for stairs over 30" high at entry		x	
100	Exterior	6.02	Exterior Condition Stairs Rails Porches Back deck rail rotted		x	
101	Exterior	6.03	Exterior Condition Roof/Gutters connect downspout	x		
102	Exterior	6.04	Exterior Condition Exterior Surfaces secure faucet	x		
103	Exterior	6.04	Exterior Condition Exterior Surfaces tenant needs to remove mattress	x		
104	Exterior	6.04	Exterior Condition Exterior Surfaces need to remove garbage and debrisin back yard			x
105	Exterior	6.04	Exterior Condition Exterior Surfaces need light for front entrance way missing	x		
106	Exterior	6.04	Exterior Condition Exterior Surfaces Back deck - replace rotted boards		x	
107	Exterior	6.04	Exterior Condition Exterior Surfaces Hand rail needed front steps/4 or more steps.		x	
108	Exterior	6.04	Exterior Condition Exterior Surfaces Back deck has several rotted boards		x	
109	Exterior	6.04	Exterior Condition Exterior Surfaces Romex wiring to front porch light needs to be in conduit			x
110	Exterior	6.04	Exterior Condition Exterior Surfaces Several rotted & loose boards on deck		x	
111	Exterior	6.04	Exterior Condition Exterior Surfaces Need house #'s on front of unit	x		
112	General H&S	8.03	Safety Evidence of Infestation exterminate for rodents		x	
113	General H&S	8.04	Safety Garbage or Debris or need to be registered to tenants on the lease, fax a copy of registration or title to 206-357-2450	x		
114	General H&S	8.04	Safety Garbage & Debris tenants friend needs to remove all their belongings from inside unit, kitchen area downstairs, and in the garage	x		
115	General H&S	8.04	Safety Garbage & Debris remove all trash and debris from yard	x		
116	General H&S	8.04	Safety Garbage & Debris move boat parked on grass in backyard, boat needs to be registered to tenant, fax a copy of ownership to 206-357-2450	x		
117	General H&S	8.04	Safety Garbage & Debris remove all trash and debris from yard			x
118	General H&S	8.04	Safety Garbage & Debris owner needs to remove old dishwasher and stuff on left side of house			x

	A	B	C	D	E	F
1	Item #	Seq.	Description	Minor	Major	Depends
119	General H&S	8.06	Safety Interior Stairs/Halls install missing or secure loose stairway switch cover	x		
120	General H&S	8.06	Safety Interior Stairs/Halls hole in stairwell	x		
121	General H&S	8.06	Safety Interior Stairs/ Halls Handrail on stairs going up is broken		x	
122	General H&S	8.07	Safety other interior hazards please investigate soft spots in the floor area		x	
123	General H&S	8.07	Safety other interior hazards carpets needs to be cleaned	x		
124	General H&S	8.09	Safety Interior Air Quality unit smells of very strong pet feces		x	
125	General H&S	8.09	Safety Interior Air Quality carpet is unsanitary - tenant clean		x	
126	General H&S	8.1	Safety Site & Area condition remove cars not registered to tenants	x		
127	General H&S	8.1	Safety Site & Area condition clean up back yard	x		
128	General H&S	8.1	Safety Site & Area condition left side of deck has board starting to rot	x		
129	General H&S	8.1	Safety Site & Area Condition remove broken glass from outside bathroom window		x	
130	General H&S	8.1	Safety Site & Area Condition handrail on front walkway broken and protruding		x	
131	General H&S	8.1	Safety Site & Area Condition repair or remove non-running car; remove car not registered to tenant	x		
132	General H&S	8.1	Safety Site & Area Condition remove cars not owned by tenants	x		
133	General H&S	8.1	Safety Site & Area Condition Remove junk vehicle, car in garage needs to registered to tenant or removed, fax a copy of registration to me at 206-357-2450	x		
134	General H&S	8.1	Safety Site & Area Condition tenant needs to remove camper and truck parked on grass in back yard, needs to be parked on a parking strip, gravel, or blacktop area	x		
135	General H&S	8.1	Safety Site & Area Condition Deflate & empty pool in back of standing water	x		
136	General H&S	8.1	Safety Site & Area Condition State law requires all freezers outdoors must be locked or chained shut		x	
137	General H&S	8.1	Safety Site & Area Condition remove inoperative vehicle from property.	x		
138	General H&S	8.1	Safety Site & Area Condition Back fence falling down. Posts appear to be rotted	x		
139	General H&S	8.1	Safety Site & Area Condition Left side gate broken	x		
140	General H&S	8.1	Safety Site & Area Conditions Secure fences on south side	x		
141	General H&S	8.1	Safety Site & Area Condition Remove all cars from backyard; all vehicles must be registered to tenants	x		
142	General H&S	8.1	Safety Site &Area Condition 2 cars without plates ---Tenant show proof of owner---cars have to be operable	x		
143	Halls	4	Smoke Detectors tenant given battery for smoke detector		x	
144	Halls	4.03	Halls Electrical Hazards repair or replaces switches as necessary to work properly	x		
145	Halls	4.03	Halls Electrical Hazards please inspect dryer; tenant claims it shocks her		x	
146	Halls	4.03	Hall Electrical Hazards repair or replace light fixture	x		
147	Halls	4.06	Ceiling conditions please repair leak - patch and paint upon completion		x	
148	Halls	4.06	Ceiling conditions repair ceiling cracks/holes		x	
149	Halls	4.06	Halls Ceiling Condition repair ceiling by skylight	x		
150	Halls	4.06	Halls Ceiling Conditions cover exposed wires in ceiling with a cover plate		x	
151	Halls	4.07	Halls Wall Conditions the dryer does not work	x		
152	Halls	4.1	Smoke Detectors installed new battery, unit did not function		x	
153	Halls	4.1	Smoke Detectors secure smoke detector to ceiling		x	
154	Halls	4.1	Halls Smoke Detectors secure smoke detector		x	
155	Halls	4.1	Smoke Detectors secure smoke detector	x		
156	Halls	4.1	Hall(s) Smoke Detectors Smoke Detector not working		x	
157	Halls	4.1	Hall(s) Smoke Detectors need battery		x	
158	Halls	4.1	Hall(s) Smoke Detectors Smoke detector hanging down in upstairs hall		x	

	A	B	C	D	E	F
1	Item #	Seq.	Description	Minor	Major	Depends
159	Heating & Plumbing	7.02	Safety of Heating Equip. repair or replace furnace		x	
160	Heating & Plumbing	7.02	Safety of Heating Equip. furnace safety check recommends replacing furnace	x		
161	Heating & Plumbing	7.04	Water Heater tenant states hot water runs out after 10 miinutes	x		
162	Heating & Plumbing	7.04	Heat/Plumbing Water Heater tenant states hot water runs out after 15 minutes	x		
163	Kitchen	2.03	Kitchen Electrical Hazards repair GFCI next to sink on right side not working		x	
164	Kitchen	2.03	Kitchen Electrical Hazards dishwasher not operating	x		
165	Kitchen	2.03	Kitchen Electrical Hazards dial broken off on heater		x	
166	Kitchen	2.03	Kitchen Electrical Hazards GFI on left sid eof stove not testing and resetting, replace		x	
167	Kitchen	2.03	Kitchen Electrical Hazards both outlets on right side of stove not working		x	
168	Kitchen	2.03	Kitchen Electrical Hazards Kitchen heater arcing & sparking		x	
169	Kitchen	2.05	Kitchen Window Conditions kitchen window jammed	x		
170	Kitchen	2.05	Kitchen Window Conditions windows must close and latch properly	x		
171	Kitchen	2.06	Kitchen Ceiling Conditions please take smoke det. down in the kitchen due to it going off all the time	x		
172	Kitchen	2.06	Kitchen Ceiling Conditions Ceiling to be free of cracked or sagging plaster/drywall;Damaged/Missing		x	
173	Kitchen	2.07	Kitchen Wall Conditions washing machine not working properly, leaks when used	x		
174	Kitchen	2.08	Kitchen Floor Conditions lino. is discolored in front of w/d and bath, from water leak	x		
175	Kitchen	2.1	eye burner on stove top not connected		x	
176	Kitchen	2.1	Stove/Range w/Oven broil bracket not on		x	
177	Kitchen	2.1	Stove/Range w/Oven work		x	
178	Kitchen	2.1	Kitchen Stove/Range w/Oven repair burner..secure		x	
179	Kitchen	2.1	Kitchen Stove/Range w/Oven RR burner not operating		x	
180	Kitchen	2.1	Kitchen Stove/Range w/Oven RF burner not operating		x	
181	Kitchen	2.1	Kitchen Stove/Range w/Oven RR burner not operating		x	
182	Kitchen	2.1	Kitchen Stove/Range w/Oven secure handle	x		
183	Kitchen	2.1	Kitchen Stove/Range w/Oven replace broken control knob(s)	x		
184	Kitchen	2.1	Kitchen Stove/Range w/Oven right front burner, knob broken off	x		
185	Kitchen	2.1	Kitchen Stove /Range w/Oven tenant states not hot enough in oven	x		
186	Kitchen	2.1	Kitchen Stove/Range w/Oven left front burner, not working properly		x	
187	Kitchen	2.1	Kitchen Stove/Range w/Oven cannot read bake/broil dial please replace	x		
188	Kitchen	2.1	Kitchen Stove/Range W/Oven repair all stove/oven elements to light		x	
189	Kitchen	2.1	Kitchen Stove/Range W/Oven right rear burner knob broken	x		
190	Kitchen	2.1	Kitchen Stove/Range W/Oven Broiler element not coming on		x	
191	Kitchen	2.1	Kitchen Stove/Range W/Oven Oven door not closing & sealing		x	
192	Kitchen	2.1	Kitchen Stove /Range w/Oven right rear burner connector loose	x		
193	Kitchen	2.1	Kitchen Stove/Range W/Oven Left burner knob melted		x	
194	Kitchen	2.1	Kitchen Stove/Range W/Oven Stove knobs not working	x		
195	Kitchen	2.1	Kitchen Stove/Range W/Oven Clean stove/range and burners	x		
196	Kitchen	2.1	Kitchen Stove/Range W/Oven Oven door handle off		x	
197	Kitchen	2.11	Kitchen Refrigerator leaking water on floor	x		
198	Kitchen	2.11	Kitchen Refrigerator need a light bulb in refrigerator	x		
199	Kitchen	2.12	Kitchen sink leaks on top of faucet	x		
200	Kitchen	2.12	Kitchen Sink kitchen faucet constantly drips		x	
201	Kitchen	2.12	Kitchen Sink clear drain blockage	x		
202	Kitchen	2.12	Kitchen Sink small sink has a slow drain, please clear	x		

	A	B	C	D	E	F
1	Item #	Seq.	Description	Minor	Major	Depends
203	Kitchen	2.12	Kitchen Sink tenant claims leak under sink	x		
204	Kitchen	2.12	Kitchen Sink Kitchen sink leaks around the base	x		
205	Kitchen	2.12	Kitchen Sink faucet leaks and drips, does not shut off properly	x		
206	Kitchen	2.12	Kitchen Sink faucet leaks at base	x		
207	Kitchen	2.12	Kitchen Sink sprayer head broken	x		
208	Kitchen	2.12	Kitchen Sink sink faucet has constant drip		x	
209	Kitchen	2.12	Kitchen Sink faucet leaks under sink; repair decay as well			x
210	Kitchen	2.12	Kitchen Sink broken faucet cover	x		
211	Kitchen	2.12	Sink repair or replace garbage disposal unit	x		
212	Kitchen	2.12	Kitchen Sink sink must be free of leaks & surface defects (I.E., porcelain IPS/Crack)	x		
213	Kitchen	2.12	Kitchen Sink Dishwasher must work/ repair or remove	x		
214	Kitchen	2.12	Kitchen Sink Pipe under sink is leaking		x	
215	Kitchen	2.12	Kitchen Sink Sink leaks underneath		x	
216	Kitchen	2.12	Kitchen Sink spray handle broken & faucet leaks		x	
217	Laundry	4.05	Laundry Window Conditions cracked window, replace glass		x	
218	Living Room	1.02	Living Room Electricity Living room heater clicks off intermittently and has to be reset		x	
219	Living Room	1.03	Living Room Electrical Hazards Dining Room heater not operating		x	
220	Living Room	1.03	Living Room Electrical Hazards heater not operating; move items 18" from heater		x	
221	Living Room	1.03	Living Room Electrical Hazards heater not working properly		x	
222	Living Room	1.03	Living Room Electrical Hazards Outlets next to front door appear to have arced & top not working	x		
223	Living Room	1.04	Living Room Security front door not sealing…appears to be bowed		x	
224	Living Room	1.04	Living Room Security slider window not locking		x	
225	Living Room	1.04	Living Room Security Entry door not latching		x	
226	Living Room	1.05	Living Room Window Condition must close and latch properly, both not locking		x	
227	Living Room	1.05	Living Room Window Condition window must close and latch properly		x	
228	Living Room	1.05	Living Room Window Condition window must close and latch properly, lock on window broken off			x
229	Living Room	1.06	Living Room Ceiling Condition repair ceiling cracks/holes wet scrape and remove peeling paint	x		
230	Living Room	1.06	Living Room Ceiling Condition check ceiling for leak	x		
231	Living Room	1.06	Living Room Ceiling Condition spots in ceiling sign of water	x		
232	Living Room	1.06	Living Room Ceiling Condition mirror in ceiling loose remove	x		
233	Living Room	1.08	Living Room Floor Condition floor dirty please clean	x		
234	Misc.	4.01	Misc. Room Code Secondary stove		x	
235	Misc.	4.03	Misc. Electrical Hazards bake element does not work and needs to be replaced		x	
236	Misc.	4.07	Wall Conditions handle and lock broken on slider		x	
237	Other	4.02	Dining Room Electricity/Illumination Forced air heater not working		x	
238	Other	4.08	Other 2 (1st Fl Back Right) Floor Conditions need access to sink and stove, furniture blocking area	x		
239	Other	4.08	Other 2 (1st Fl Back Right) Floor Conditions furniture needs to be removed and stored in garage area		x	
240	Other	4.08	Other 2 (1st Fl Center Right) Floor Conditions flooring warped in rec room and in hallway downstairs from water leaking in room		x	
241	Porch	4.08	Porch(s)Floor Conditions repair source of water stains and any associated damage		x	
242	Porch	4.08	Porch(s) Wall Conditions walls wet from water leaking into room		x	

	A	B	C	D	E	F
1	Item #	Seq.	Description	Minor	Major	Depends
243	Porch	4.08	Porch(s) Floor Conditions carpet all wet, water leaking into back room on porch		x	
244	Secondary	5.02	Secondary Security tenant is storing her brother and sister's belongings in the garage	x		
245	Secondary	5.02	Secondary Security garage --repair damaged door lock		x	
246	Secondary	5.02	Secondary Security owner needs to have a padlock on storage shed door if keep her belongings in storage shed	x		
247	Secondary	5.02	Secondary Security back door jam is broken needs to be replaced		x	
248	Secondary	5.02	Secondary Security garage door in front needs to open and lock		x	
249	Secondary	5.02	Secondary Security Garage door not opening properly all the time, have to open manually, please fix or replace	x		
250	Secondary	5.02	Secondary Electrical Hazards Halogen light over garage door not working, fix or remove fixture	x		
251	Secondary	5.03	Secondary electrical hazards electrical box-blank spacers needed	x		
252	Secondary	5.03	Secondary electrical hazards in outside storage closet	x		
253	Secondary	5.04	Other Hazards on back patio chained and lock		x	
254	Secondary	5.04	Secondary Other Hazards family room -- need wall plates. Needs railing	x		
255	Secondary	5.04	Other Hazards clean up carport area, get rid of stuff you don't want and haul away			x
256	Secondary	5.04	Secondary Other Hazards it is already boarded up on the inside, but needs to be removed		x	
257	Secondary	5.04	Secondary Other Haxards Tenant has bunkbed in garage next to furnace---Do not sleep in garage by furnace	x		
258	Site/Area	8.1	Safety Site & Area conditions all cars to be operable and currently registered to tenants			x

40: EXHIBIT P- HOUSING AUTHORITY CODE OF CONDUCT

No officer of the Housing Authority, employee or any contractor, subcontractor or agent of the HA shall engage in any act which is in conflict with the performance of official duties. A conflict of interest shall be deemed to have occurred if the officer of the Housing Authority, employee or any contractor, subcontractor or agent of the HA directly or indirectly:

1. Accepts or seeks for others any employment, travel expense, service, information, compensation, gift or thing of value on more favorable terms than those granted to other officers of the Housing Authority, employees or any contractors, subcontractors or agents of the HA.

2. Accepts any gift, favor loan, retainer, travel expense, compensation or other thing of value from any person doing business or seeking to do business with the HA when such acceptance may conflict with the performance of their official HA duties. A conflict shall be deemed to exist where a reasonable and prudent person would believe that the gift, compensation, thing of value, or more favorable terms, was given for purpose of obtaining special consideration or to influence HA action.

Anyone suspecting conflict of interest should report this information to their department director or Human Resources. Upon receipt of such notification, action shall be taken to resolve the potential conflict of interest, including but not limited to designating within a reasonable time an alternative person to perform the duty which is involved in the potential conflict. The disposition of the potential conflict shall be stated in writing in files maintained by the department director of Human Resources.

If the conflict of interest is determined to be purposeful and results in a violation of HA policy, the HA may take corrective or disciplinary action. Although in most instances, the HA will apply corrective action in steps of increasing severity, the HA reserves the right to apply whatever corrective action it deems necessary including immediate discharge without prior corrective action or notice.

41: EXHIBIT Q- AFFIRMATIVELY FURTHERING FAIR HOUSING PLAN

A. THREE MAJOR IMPEDIMENTS TO FAIR HOUSING IN KING COUNTY According to the King County Consolidated Plan, 2005 – 2009, the three major impediments to fair housing are

1. Housing Discrimination Impediments:

- Rental market discrimination, with the most notable discrimination occurring on the basis of race, national origin, disability and familial status;
- Discriminatory financing in home ownership including predatory lending, on the basis of race or national origin and sometimes age; and,
- Discriminatory zoning issues and practices and discrimination by housing associations.

2. Administrative Practice Impediments:

- Access to fair housing rights information on a day-to-day basis;
- Confusion about where to go for help with fair housing and where to send people for help;
- Local jurisdiction capacity for fair housing enforcement mechanisms where most of the discrimination occurs; and
- Lack of monitoring for sub-recipients, i.e., entities awarded funds for projects.

3. Inadequate supply of affordable households for the lowest income levels:

- Since 2003, King County Housing Authority has been a Moving to Work Housing Authority, as a result of being named a high-performing housing authority by the U.S. Department of Housing and Urban Development. As mandated by Congress, the MTW Demonstration project provides KCHA and other designated housing authorities with significant flexibility to develop approaches to meet the jurisdiction's housing needs. Two specific goals of the MTW program are to expand KCHA clients' housing choices and preserving and increasing affordable housing opportunities while focusing on those in greatest needs.

A. **Actions taken by King County Housing Authority** (KCHA) to further fair housing through EXAMINATION OF ITS PROGRAMS OR PROPOSED PROGRAMS:

Through the annual submission of an MTW Report to HUD, KCHA outlines program accomplishments and evaluates progress towards upcoming goals. In addition, an MTW Annual Plan is developed and submitted annually to HUD detailing any new projects which are being proposed for the upcoming year. A number of revisions have

been made to the Section 8 program to further fair housing including increases to the payment standard, creation of programs to assist homeless and special needs clients, and increased access to the reasonable accommodation process.

B. Actions taken by KCHA to IDENTIFY AND REDUCE IMPEDIMENTS TO FAIR HOUSING CHOICE:

The following are specific King County Housing Authority efforts to identify and reduce impediments to fair housing choice.

1. **Expanding its role as the safety net for homeless and special needs populations in King County:** In partnership with the Bill and Melinda Gates Foundation and local governments, King County Housing Authority (KCHA) has created a network of service-enriched housing for homeless families. It has redefined tenant selection preferences to move more homeless families into public housing. KCHA's "Housing First" program, in partnership with local behavioral health care systems and United Way, provides housing and services to chronically homeless individuals, those who are most susceptible to housing discrimination.

2. **Ending Homelessness:** KCHA is a leader in the region's efforts to end homelessness by expanding housing for homeless and special needs households, working to serve "hard-to-house" populations not traditionally served by mainstream housing programs, and coordinating rental subsidies with private and public service funding. This year, partnering with King County and behavioral health providers, KCHA will house up to 100 chronically homeless and mentally ill individuals who currently cycle between psychiatric hospitals, jails and the street.

3. **Public Housing and Section 8 Admissions Preferences:** When selecting applicants, KCHA uses local preferences for the Public Housing, Section 8 Housing Choice Voucher and Project-based Assistance programs. Each program's policies will be developed in concert with other admissions-related policies. KCHA will continue to monitor the impact of the Public Housing site based, regional and Sound families waiting lists and use MTW authority where needed to address problem areas.

4. **Limited English Persons (LEP):** Communicating with clients with limited English proficiency is a priority to assure that applicants and residents understand program requirements. Since public housing residents speak more than 20 languages, KCHA has developed a plan to assist clients with limited English proficiency navigate our programs. A working group meets regularly to discuss new ideas on improving communication to LEP clients.

5. **Reasonable Accommodations:** When an applicant for housing indicates on the application that he/she needs reasonable accommodations in their housing, the application is referred to KCHA's Section 504 Coordinator for assistance in locating accessible public housing units that meet the reasonable accommodation needs of the applicant. Those needs include voucher extensions, additional bedroom requests, and

higher payment standards to name a few. In 2008 the King County Section 8 program received 591 requests of which 454 were approved.

6. **Staff Training, Advocacy and Tenant Education:** King County Housing Authority pursues the following additional strategies to address identified impediments to fair housing choice, including:

   - Providing staff training on current changes in laws and regulations. Providing active outreach and education to landlords throughout King County about Section 8 to increase the number of potential landlords willing to accept Section 8 tenants.

   - Intervening with landlords to address concerns.

   - Offering education to Section 8 and Public Housing program participants about their fair housing rights and how to file complaints, sometimes assisting them with the filing process.

C. Actions undertaken by KCHA to ADDRESS ADMINISTRATIVE IMPEDIMENTS TO FAIR HOUSING IN VIEW OF AVAILABLE RESOURCES:

- King County Housing Authority staff in all offices including the corporate office, the Section 8 office and the on-site management offices are aware of local resources which can assist tenants to deal with discrimination in housing. When an applicant or tenant calls regarding a landlord/tenant concern, the caller is referred to their local fair housing office and the Tenant's Union. Applicants receiving housing vouchers also are given information regarding fair housing at their orientation. Between 2004 and 2006, King County Housing Authority established site-based management offices at each of its public housing sites in an effort to make services more accessible. In addition an on-line Section 8 Housing application was instituted for greater accessibility.

D. Actions undertaken by KCHA to WORK WITH LOCAL JURISDICTIONS TO IMPLEMENT INITIATIVES TO FURTHER FAIR HOUSING

1. **1. Deconcentration:** Utilizing the HOPE VI program, new project-basing rules for Housing Choice vouchers developed under MTW and KCHA's bond and tax credit financed inventory, KCHA is giving low income households greater access to neighborhoods with strong school systems and ample entry-level job opportunities.

2. **Encouraging Homeownership:** Using a Resident Opportunity Self-Sufficiency (ROSS) grant and MTW flexibility, KCHA is helping public housing residents become homeowners. Exceeding the program target, 312 households purchased homes under the program, with 66% utilizing KCHA down payment assistance grants of up to $15,000.

3. **King County's Plan to End Homelessness in Ten Years** (A Roof Over Every Bed in King County: Our Community's Ten-Year Plan to End Homelessness): This local Ten-Year Plan reflects a regional commitment to seek long-term and sustainable solutions to homelessness, utilizing best practices and programs that produce tangible results. Its priorities are: homeless prevention; development of new housing and improved connections to support services; and building the community and political will to end homelessness. In 2005, this Plan was adopted and the Committee to End Homelessness in King County (CEHKC) was formed. CEHKC is made up of representatives of nonprofit organizations, businesses, local governments, homeless advocates and the faith community. KCHA's Executive Director, Stephen Norman, is the Co-Chair of the Interagency Agency Council, which oversees implementation efforts of the 10-year plan. KCHA uses this plan as a tool in identifying unmet housing needs and aligning KCHA resources with other funders to address those needs.

E. Actions undertaken by KCHA to proactively address accessibility problems for persons with disabilities:

King County Housing Authority maintains policies and procedures which are part of a reasonable accommodation plan with the deliberate intention of addressing challenges of all people with disabilities. The following proactive steps address these challenges:

1. Assist program applicants and participants to gain access to supportive services available within the community, but not require eligible applicants or participants to accept supportive services as a condition of continued participation in the program. King County Housing Authority provides Resident Services Coordinators for each of the 23 senior and disabled properties. Each of these coordinators has information and directories of services available in the community and can inform residents of supportive services provided by community-based agencies. Acceptance of supportive services is not a condition of continued participation in the program.

2. Identify public and private funding sources to assist participants with disabilities in covering the costs of structural alternations and other accessibility features that are needed as accommodations for their disabilities. In the public housing properties owned by King County Housing Authority, costs of approved reasonable accommodations are paid for KCHA. In both Section 8 Tenant-based and Project-based programs, requests for reasonable accommodations are between the resident and the landlord. Section 8 staff maintains lists of possible private agencies that can help complete the work and can assist in locating resources.

3. Not deny persons who qualify for HCV under this program other housing opportunities or otherwise restrict access to PHA program to eligible applicants who choose not to participate. Generally, King County Housing Authority does not make participation in services a condition of housing. However, under certain circumstances where the service is directly tied to the housing program, particularly in Project-based units, services may be required for program participation.

4. **Provide housing search assistance.** In addition to maintaining a list of landlords willing to participate in the Section 8 program, King County Housing Authority contracts with the YWCA of Seattle, King and Snohomish Counties to provide housing search assistance for HCV applicants.

5. In accordance with rent reasonable requirements, approve higher rents to owners that provide accessible units with structural modifications for persons with disabilities. King County Housing Authority performs a rent reasonable test on all Section 8 units and will consider any improvements made by a landlord to make a unit accessible for a person with a disability. In addition, KCHA has a full time 504 Coordinator who reviews any request for a higher rent as a reasonable accommodation and will adjust rents for accessible units.

6. Provide technical assistance, through referrals to local fair housing and equal opportunity offices, to owners interested in making reasonable accommodations or making units accessible to persons with disabilities. The King County Housing Authority Section 8 office provides a website that allows owners to advertise accessible units. While KCHA does not fund a private owner to renovate for accessibility, they will assist by directing them to possible agencies that perform or fund the desired accommodation.

F. Actions undertaken by KCHA to MAINTAIN RECORDS REFLECTING ACTIONS TAKEN To further fair housing:

Records of analysis and actions outlined in this plan are kept through monthly, quarterly, and yearly reports presented in a variety of formats including the MTW Annual Report and Plan, quarterly financial reports, monthly Section 8 and Public Housing management reports, and updates to the HCV Administrative Plan.

1. Certification

The King County Housing Authority certifies that it operates it programs in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), the Fair Housing Act (42 U.S.C. 3601-19), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

2. Sources of information include the following:

- The major source of information providing guidelines for the investment of certain federal housing and community development funds in King County outside the City of Seattle, during 2005-2009 is the “Consolidated Plan,” a document written by representatives of the King County Consortium, an organization made up of 35 small cities and the unincorporated areas of King County. The Plan had extensive input from a wide range of additional stakeholders including agencies, advocates, community-based organizations,

local and state government staff, and members of the public including low income individuals.

- The most current housing action plan and "Analysis of Impediments to Fair Housing Choice" was published in 2005 and will be in effect through 2009.
- Reference is made to fair housing in the 2009 Moving to Work Annual Plan for the King County Housing Authority.
- Reports are published quarterly by the Committee to End Homelessness.

G. ACTIONS UNDERTAKEN BY KCHA TO INFORM APPLICANTS ON HOW TO FILE A FAIR HOUSING COMPLAINT INCLUDING THE PROVISION OF THE TOLL FREE NUMBER FOR THE HOUSING DISCRIMINATION HOTLINE: 1-800-669-9777 or the Federal Information Relay Service at 1-800-887-8339.

- All Section 8 applicants attend an orientation briefing where they receive information packets including copies of the Fair Housing Complaint file form and instructions for filing. This paperwork includes the toll free number for the housing discrimination hotline. If they file a complaint, they can send these forms directly, or King County Housing Authority will send the forms for them.

42: EXHIBIT R- ORIGINAL PROJECT-BASED PROGRAM POLICY

King County Housing Authority

Making Transition Work

Project Based Assistance Program Policy

I. BACKGROUND

Under HUD's Moving to Work Demonstration Program (renamed "Making Transition Work" by KCHA or MTW), high-performing housing authorities, including KCHA, have the opportunity to develop their own housing programs and policies based on local needs and circumstances in lieu of most of the provisions of the 1937 Housing Act. KCHA must, however, continue to follow related federal laws, including fair housing and other anti-discrimination provisions. The Authority's MTW Agreement with the Department of Housing and Urban Development (HUD) authorizes KCHA to develop a Section 8 Project-Based Assistance Program with locally designed policies and procedures.

Under current HUD rules, KCHA is allowed to provide some of its Section 8 funding as an operating subsidy for housing units (project-based subsidy) as opposed to specific households in the form of a tenant-based voucher. KCHA has awarded Project Based Assistance in a number of Program Categories in the past few years. For example, KCHA has partnered with the Sound Families Initiative to create new transitional housing in the county. Partnerships with agencies serving the disabled have resulted in service-enriched housing opportunities for individuals with disabilities. KCHA has also used Project Based Assistance to replace demolished public housing units and to preserve existing affordable housing. In October of 2005, HUD issued its Final Rule on Project Based Assistance. Some aspects of these regulations enhance opportunities to use Project Based Assistance locally. Others are more restrictive and do not support the goals of KCHA's PBA Program.

The perceived need for a new and expanded Project Based Assistance program is not based on any failure on the part of the Section 8 tenant-based program. On the contrary, KCHA operates a highly successful tenant-based program by a number of standards. For example, more than 90 percent of new participants in the program are extremely low-income households. All new participants meet one or more of KCHA's local admissions preferences. The program also includes a very successful set-aside program for more than 1,500 households with disabilities, the Housing and Services Program (HASP). In addition to the successful outcomes for the program's clients, KCHA has operated the tenant-based program with a high degree of efficiency.

A locally designed Project Based Assistance Program provides an additional tool that allows the Authority and its partners to meet affordable housing needs and problems that the Section 8 tenant-based program is not designed to address. This memorandum details the problems that this program will seek to address, outlines the program's policy goals.

II. PROBLEM STATEMENT

Staff and other KCHA stakeholders have identified a number of affordable housing issues and opportunities that a project-based rental subsidy program can address. In addition, some existing project-basing rules and regulations themselves represent a barrier to efficiently and effectively addressing the affordable housing needs of the County's poorest households. The following is a discussion of the affordable housing issues that have be identified:

1. Affordable Housing Issues in King County

A. Production of New Affordable Housing

Few housing units currently being produced in King County are affordable to households earning below 30% of Area Median Income (AMI). Production under the tax-exempt bond and tax credit programs primarily serves households in the 45% to 60% of AMI range. Rising rents in parts of King county make it desirable to create new affordable units in particular submarkets before income diversity is lost. Coordination of Section 8 rental subsidies with other government financing programs to increase the production of new "hard" units affordable to very low income households should be an element in the region's overall growth plan and part of a regional strategy for assuring the long term availability of a supply of affordable housing independent of market conditions. New production also provides opportunities for the development of units for underserved elements of the market, including very large families and physically handicapped individuals.

B. Preserving Economic Diversity in Gentrifying Communities

Many submarkets in the region have experienced significant increases in resident incomes and housing costs over the past decade, resulting in growing market pressures on low-income households. Communities to the east of Lake Washington, in particular, have seen a significant loss of economic diversity as older rental housing is either converted to condominium ownership, rehabilitated as higher income rental housing or demolished to make way for higher income uses. Despite "exception rent" waivers provided by HUD, which enable KCHA to approve higher rents for households seeking to utilize Section 8 vouchers in these communities, the supply of available stock affordable to voucher holders on the Eastside continues to shrink. The percentage of KCHA Section 8 voucher holders renting in these communities has decreased from 22% in 1994 to 15% in 2006.

Failure to retain economic diversity in these communities also exacerbates the over concentration of lower income households in other parts of the county and deprives low-income households of ready access to entry-level employment opportunities, superior community facilities, and educational resources available in these communities.

Production or retention of affordable housing in communities experiencing steep increases in housing costs should be explored under the project basing initiative.

C. **Overconcentration of Affordable Housing**

Significant concentrations of poor households, especially in areas with limited resources, have a detrimental impact on the ability of those households to escape poverty. These areas typically have fewer resources for needed human services, poorer performing student bodies, limited employment growth or job opportunities, and higher crime rates.

Despite KCHA's historical commitment to higher rent payment standards to provide Section 8 participants with greater geographic choices, over 75percent of the program's more than 8,000 households live in the south end of the county, traditionally the area with higher poverty rates. This percentage is higher for households with children—81 percent—and even higher for minority populations, encompassing 88 percent of the program's minority households with children. In addition, more than 70 percent of public housing for families with children is located in the south end of the county. An examination of the distribution of other affordable housing in the county outside of Seattle will likely show a similar geographic distribution.

Targeting Project Based Assistance to achieve a more balanced geographic distribution of affordable housing opportunities could help reduce overconcentrations of low income housing in specific locales.

D. **Replacement Housing Initiative**

Under the HOPE VI program, KCHA is replacing a World War II vintage public housing complex in White Center with a new mixed income community. White Center is one of the poorest communities in Seattle/King County and currently accommodates 22% of KCHA's total family public housing inventory.

The redevelopment of Park Lake will provide a more balanced mix of public, workforce and for-sale housing and will result in the loss of 269 public housing units from the site. KCHA is committed to the one-for-one replacement of all of these public housing units with "hard" units, affordable to families on KCHA's waiting list, in other communities.

Providing "hard" units that are affordable to households earning below 30% of AMI is not possible without on-going operating subsidies. KCHA has applied for, and received, contract authority for 269 additional vouchers, to be used specifically to provide off-site replacement housing. KCHA anticipates utilizing replacement housing as part of the strategy to address other older sites of public housing as well.

The MTW policy will facilitate KCHA's provision of replacement housing units prior to the initiation of demolition activities at Park Lake. Off-site replacement housing will be

created through project basing in existing developments, in new developments acquired or built by KCHA and in housing acquired or developed by non-profit housing developers in partnership with local government. Replacement units will be sited at locations that strengthen KCHA's response to deconcentration, economic diversification and job co-location issues.

E. **Affordability Limits in Existing Subsidized Housing**

KCHA owns a portfolio of over 4,000 units of tax credit and bond-financed housing. Nonprofit housing providers also own and manage additional affordable housing in the County outside of Seattle. These housing opportunities generally serve households with incomes between 45 percent and 80 percent of AMI. Although KCHA and nonprofit housing providers desire to use this housing to serve lower income groups—KCHA's Board has established a goal of making a portion of these units available to households at or below 30 percent of AMI—lower rents are not financially feasible without additional subsidies. Project Based Assistance can be used to "buy down" the level of affordability to provide additional housing opportunities for households with incomes below 30 percent of AMI.

F. **Maintaining the Viability of the Existing Affordable Housing Inventory**

The long-term viability of some of the remaining affordable housing in King County is threatened by unmet capital needs and deferred maintenance issues that are becoming increasingly critical as this inventory ages.

Underlying financial vulnerabilities stemming from limited cash flow provided by below market rents and inadequately underwritten capital reserves have left affordable housing complexes without the resources necessary to deal with significant life cycle replacement costs and upgrading needs.

Additional pressure is being placed on this housing through significant increases in operating expenditures, including property and liability insurance and utility costs. The strategic use of Section 8 subsidies to preserve affordability, strengthen cash flow and fund critical capital improvements to preserve existing affordable housing should be explored.

G. **Strengthening the County's Existing Supportive Housing System**

Existing supportive housing in King County is a critical resource for preventing and reducing homelessness. In most cases, households served under these programs would have difficult accessing and maintaining private sector housing even with tenant-based vouchers.

Existing supportive housing is vulnerable to the same pressures that all affordable housing in the county is dealing with, including limited rental incomes, rising operating costs, inadequate capital reserves and aging physical plants. In addition, supportive housing facilities must, in many instances, fund on-site supportive services from project-specific revenues.

Funding for human services is being significantly reduced at present at virtually all levels of government: federal, state, county and suburban jurisdictions. Use of project based Section 8 to stabilize operations at these facilities, pay for necessary capital improvements, and help assure sufficient cash flow to support critical on-site services should be considered.

H. **Underserved and Homeless Populations**

An important element of KCHA's core mission is its role as a safety net for the poorest and most vulnerable populations in King County. Despite KCHA's focus on extremely low-income families in its public housing and Section 8 programs, where 90% to 95% of new program participants have incomes below 30 percent of AMI, some of the poorest households in the county are still underserved for a variety of reasons and have a high likelihood of becoming homeless.

These households include:

- Individuals with special needs, for example, individuals with developmental, mental health, physical, or other disabilities
- Recipients with poor credit histories and landlord references
- Households with substance abuse histories
- Victims of domestic violence
- Children aging out of foster care

The development of additional housing for special needs populations in partnership with non-profit service providers is a critical need identified in the 10 Year Plan to End Homelessness in King County. Increased coordination of Section 8 rental subsidies with local government resources and philanthropic initiatives such as the Bill & Melinda Gates Foundation's Sound Families Initiative and the HASP program are an important element of the response to this issue.

2. **Problems Related to Current Program Rules**

Although federal regulations currently allow for project-basing of Section 8 assistance, and have been updated to facilitate program implementation, a number of existing HUD regulations remain cumbersome. In addition to the need to streamline the program,

the regulations need to be changed so that project-basing can become a more effective tool for addressing affordable housing issues and priorities in King County. Significant constraints presented by existing regulations that are addressed under KCHA's program include:

- The restriction on Transitional Housing eliminates the opportunity to project-base under an important housing type.
- The restriction of HAP contract term extensions to 15 years may not be suitable for new construction/acquisition projects involving longer term financing commitments.
- The requirements of the current cumbersome process for allocating vouchers to units controlled by KCHA is replaced by the noncompetitive application of a clear set of policy objectives and project selection criteria.
- The restriction of project-basing to census tracts with a higher than 20 percent poverty rate does not allow project-basing to be used as a financing tool to leverage significant private sector involvement in the revitalization of distressed communities.
- The current limitation on project-basing to 20 percent of Section 8 tenant-based budget authority may be too restrictive.
- The 25 percent limit on family units in a building that can receive Project Based Assistance is too restrictive.
- The requirement to offer project-based housing to households on the PHA's waiting list may not be appropriate or practical for some projects.
- The requirement to maintain a waiting list for project-based units is not practical for homeless households because these households can not wait for housing. Waiting lists will easily become stagnant and inefficient in meeting immediate housing needs.
- The requirement to maintain a waiting list for project-based units is not practical for people with disabilities moving into shared housing because compatibility of roommates must be taken into account in determining the next household member to be added.
- The rent limit in tax credit projects is too restrictive and may inhibit the ability to serve extremely low-income households in these developments. Rent reasonableness standards should apply instead, combined with appropriate subsidy layering reviews.

- The requirement to provide a tenant-based voucher to tenants receiving Project Based Assistance after 12 months will have an inequitable impact on the tenant-based voucher pool and waiting list.

- The current Contracts and forms required by HUD are not suitable for all potential project-basing uses.

- The goals of Public Housing redevelopment initiatives may be better addressed with a Project Based Assistance policy that allows for a blending of Project Based Assistance and other government subsidy program rules.

- Efficient operations management in mixed-income developments receiving multiple government subsidies is not possible when subsidy rules are incompatible.

- The requirement to submit projects to HUD for subsidy layering and Environmental review can take a significant amount of time and could postpone development, thereby increasing costs. KCHA has the expertise and relationships with partner funders to conduct these reviews.

III. POLICY GOALS

KCHA's Making Transition Work Demonstration Program includes a number of overarching goals that are relevant to the project-basing of Section 8 assistance. In addition, the problems identified above suggest objectives that a new program should pursue. The following list of goals is based on KCHA's Mission, the MTW Demonstration Program goals, and the problem statement. These goals will be pursued within the context of the requirement of HUD, and commitment by KCHA, that the Housing Choice program continue to serve substantially the same number of very low income households as it had served prior to the MTW Demonstration Program.

The Project Based Assistance Program and Policy is designed to achieve the following goals:

1. **Increase the supply of the affordable housing stock in King County through the support of new development**.

   Measurable Outcomes:

   - Project-basing will contribute to a net increase in the number of "hard" units available for low-income households in KCHA's jurisdiction.

   - Project-basing will not result in a decrease in the total number of extremely low-income households served (tenant- or project-based) by KCHA and other providers of affordable housing.

2. **Increase the level of affordability of existing housing stock**.

Measurable Outcomes:

- Existing housing units not currently affordable to extremely low-income households will become affordable to such households.
- Pursuit of this goal will not lead a net reduction in the number of extremely low-income households served by KCHA or other affordable housing providers.

3. **Preserve and revitalize existing affordable housing stock**.

Measurable Outcomes:

- Project Based Assistance may be used as a tool to preserve the affordable housing stock in KCHA's jurisdiction where project cash flow cannot sustain the responsible management, service provision and maintenance of these facilities and continued ability to serve extremely low-income households over the long term.
- Project Based Assistance may be used as a financing tool to assist in the revitalization of physically distressed properties or as part of initiatives to address housing conditions in economically distressed neighborhoods.

4. **Increase housing choice for "special needs" households by strengthening and expanding the continuum of supportive housing programs in King County**.

Measurable Outcomes

- Project Based Assistance will continue to be used to support the development of transitional housing opportunities.
- Project Based Assistance will be used to preserve existing supportive housing where project cash flow cannot sustain the responsible management, service provision and maintenance of these facilities.
- Project Based Assistance will be used to increase service-enriched permanent housing opportunities for households, including individuals with special needs, who are not able to live independently without such services.
- Project Based Assistance will be used to increase service-enriched housing opportunities for households who have barriers to admission to public housing and/or tenant-based programs.

5. **Focus on the needs of extremely low income households.**

Measurable Outcomes:

- Housing units receiving Project Based Assistance will serve (admit) the same or greater percentage of extremely low income households as the tenant-based program.

- The net effect of implementing the project-based program will be to maintain or increase the percentage of extremely low income households subsidized (admitted) by the Section 8 program as a whole (project plus tenant-based).

- Seventy-five percent of project-based tenants will be below 30% of AMI for the entire Project Based Assistance program.

6. **Assist in deconcentration initiatives by replacing all public housing units targeted for redevelopment or disposal.**

   Measurable Outcomes

   - KCHA will use project-basing as a major tool to replace all hard units targeted for demolition under current and future revitalization efforts.

   - KCHA will try to ensure that the number of hard units serving primarily extremely low income households in KCHA's jurisdiction will not decrease at any time during the revitalization process.

7. **Reduce concentrations of subsidized households, especially families with children.**

   Measurable Outcomes

   - The majority of units receiving Section 8 Project Based Assistance, including units serving families with children, will be located in low-poverty, high-employment areas, especially neighborhoods with a low number subsidized housing units.

   - As a general rule, with the exception of transitional housing or service-enriched housing for disabled and elderly households, re-developed public housing, and smaller developments, the total number of units receiving Project Based Assistance in any given development will not exceed 25 percent of the units in that development.

8. **Enhance opportunities for families to become economically self-sufficient**.

   Measurable Outcomes

   - A higher percentage of households receiving Project Based Assistance (than tenant-based recipients) will live in low-poverty areas with greater access to employment opportunities.

   - Project Based Assistance-assisted households receiving TANF will become employed, remain employed, and achieve wage progression at higher rates than tenant-based voucher recipients receiving TANF benefits.

9. Maximize coordination of Section 8 assistance, housing development and support service resources

   Measurable Outcomes

- Project Based Assistance will be used to leverage capital and other funding to create new housing.
- Project Based Assistance will be used to leverage appropriate support services funding for residents of developments assisted under this program.

IV. PROGRAM CATEGORIES

KCHA will make Project Based Assistance available over the course of the MTW Demonstration in order to address the issues and achieve the objectives enumerated above. Different categories of vouchers will be allocated for a range of population groups and purposes. These include both transitional and permanent housing opportunities for individuals and families with children who may or may not need on-site support services. General numerical targets for units to be project-based annually in each category will be reflected in KCHA's Annual Plan. The following is an initial list of current and potential Project Based Assistance Program Categories:

1. Private Housing Program (Off-site HOPE VI Replacement Housing): KCHA will project-base 269 replacement vouchers provided by HUD under the Park Lake HOPE VI project in housing it controls (and in projects owned by nonprofit organizations and funded by A Regional Coalition for Housing (about 120 units) or other government funders.

2. Public Housing Re-development (On-site Public Housing Replacement Housing): To replace or redevelop public housing units on-site at former Public Housing sites, KCHA will permanently and/or temporarily project-base up to 275 units to serve new and returning residents at Greenbridge. Further use of this tool may be contemplated if additional redevelopment sites are identified.

3. Supportive Housing: Housing and Services Program (HASP) vouchers will be made available for project-basing to create or preserve service-enriched permanent housing opportunities for disabled households and individuals who need on-site support services.

4. Transitional Housing: KCHA will support the Sound Families Initiative in partnership with the Bill & Melinda Gates Foundation to create new units of transitional housing.

5. Families with Children: To increase housing opportunities for households with children in low-poverty, employment-rich areas with limited subsidized housing opportunities, KCHA may commit Project Based Assistance for such projects. Such opportunities may be pursued only after KCHA's replacement housing goals have been met and will be conditioned on the availability of additional vouchers.

6. Local Preservation: KCHA will attach Project Based Assistance to projects that require temporary or permanent operating subsidies in order to serve extremely low-income households.

7. King County's Community Plan to End Homelessness: As a member of the Committee to End Homelessness, KCHA reserves the right to identify new program categories to further the goals of the King County Plan to End Homelessness.

8. Transition in Place: If resources are available, KCHA will allocate "transition in place" vouchers to Transitional Housing Programs that are funded by KCHA and Sound Families as needed.

9. Demonstration Programs: KCHA reserves the right to provide Project Based Assistance to a limited number of pilot projects that will serve an important public purpose, but may not qualify under the Program's policies.

V. POLICY RECOMMENDATIONS

The following policy recommendations represent changes to the Department of Housing and Urban Development's project-basing rules and regulations.

1. **Allocation of Project Based Assistance**

Project Based Assistance may be allocated noncompetitively to KCHA-controlled or financed units. KCHA-controlled units include housing units owned by the Authority or owned by a partnership in which the Authority is the general partner. KCHA financed units include housing that has received conduit financing from the King County Housing Authority, provided KCHA enters into a long-term loan and regulatory agreement with the owner that controls the use and affordability of the project for at least 20 years or the term of the Project Based Assistance, whichever is longer. Such noncompetitive allocation can only be made on the basis of the Project-Based Program's policy goals and objectives. Unit selections will not be submitted for HUD review.

Project Based Assistance for units not controlled by the Authority must be awarded on a competitive basis through Requests for Qualifications, Requests for Proposals, or Notice of Funds Available issued by KCHA and/or a partner governmental or supportive service funder.

KCHA may solicit and award Project Based Assistance to Service Providers who will then identify an owner with whom KCHA will establish a HAP Contract.

KCHA may solicit and award Project Based Assistance in the form of a block grant to Service Providers who will then administer the Housing Assistance Payments to the housing owner.

In each case, the Authority will insure that the project meets KCHA's project based program goals and objectives and applicable HUD/KCHA program requirements. Unit selection will not be submitted for HUD review.

KCHA will make public notice of the availability of Project Based Assistance when allocated in partnership with other funders.

Notice of Awards or Rejections will be made to each party that submitted an eligible application but KCHA will not advertise notice of such awards.

2. **Location Restrictions**

Project Based Assistance will be provided only in Census Tracts with poverty rates below 20 percent based on the official Decennial Census estimates available at the time of allocation of assistance. In addition, in the selection of projects for assistance, the Authority will give higher priority to developments located in low-poverty Census Tracts and those with low concentrations of subsidized housing units. Furthermore, Project Based Assistance for permanent housing for families with children and off-site HOPE VI replacement units will only be provided in areas with poverty rates at or below 15 percent. However, the Executive Director may waive these restrictions in areas where public housing units were previously constructed and were redeveloped, and in economically impacted areas where KCHA is attempting to preserve and improve existing affordable housing.

3. **Restrictions on the Percentage of Project Based Assistance in a Development**

As a general rule, the Authority will not project-base Section 8 assistance in more than 25 percent of a development unless it is a transitional, supportive or elderly housing program, regardless of the number of other subsidized units on-site. The Authority reserves the right to waive this requirement in buildings with fewer than 20 units. KCHA may also exceed the 25% cap when Project Based Assistance is used to establish redeveloped units on a former Public Housing Site, so long as the number of project-based units is fewer than the original number of public housing units.

4. **Waiting List and Referral System for Developments Receiving Project Based Assistance**

The following policies will apply to the waiting list system for developments receiving Project Based Assistance:

- Project-based units designed to house homeless families and individuals will be made available through referrals from KCHA approved service providers. No waiting lists will be maintained for these developments.
- The Authority and/or project sponsors will manage and maintain waiting list(s) for all other developments receiving Project Based Assistance.
- Waiting List guidelines will be established for each operational Program Category in the Project Based Assistance Administrative Plan.

- The Authority and/or project sponsors will manage the application process in a manner that affirmatively furthers Fair Housing goals and prohibits discrimination. In the case of project sponsors managing and maintaining a waiting list, the sponsor will be required to submit a detailed Tenant Selection and Assignment Plan that meets all of the requirements of furthering Fair Housing goals and objectives and the Authority's policies and procedures.

5. **Households Eligible for Housing Assistance**

To be eligible for a housing unit receiving Project Based Assistance, applicants must meet the eligibility criteria of KCHA's Section 8 tenant-based program established in the Section 8 Administrative Plan. These include:

- Income eligibility (gross household income at or below 80% of Area Median Income)
- Family eligibility (households with children, or elderly or disabled households or individuals)
- Citizenship (Citizens, nationals, or noncitizens with eligible immigration status)

In addition to the current Section 8 eligibility criteria, children who age out of foster care are eligible for Project Based Assistance if the Authority chooses to establish a program for this purpose.

KCHA and Project owners may establish additional eligibility criteria based on the owner's approved application for Project Based Assistance. The owner is responsible for ensuring that any additional eligibility criteria meet all federal Fair Housing and Civil Rights laws. These criteria will be included in an admissions and occupancy plan provided to KCHA for approval as a condition for entering into a Housing Assistance Payment Agreement.

6. **Admissions Preferences**

The policy intent of the Project Based Assistance Program is to provide assistance to extremely low-income households. Not less than 75% of all project-based participants will be below the higher of the Federal poverty level or 30% of area median income. KCHA will establish admissions preferences consistent with this goal for each of the Project Based Assistance Program Categories in the PBA Administrative Plan.

7. **Continuing Assistance**

KCHA will not provide tenant-based Section 8 vouchers to residents moving out of project-based units. In the case of mixed-finance developments, KCHA may permit transfers between project-based units and public housing. Graduates of project-based transitional units will be eligible for a set-aside wait list for the Public Housing Program as described in KCHA's Public Housing Admissions to and Continued Occupancy Policies.

The Authority and its partners will make every effort to ensure that residents moving out of transitional housing developments receiving Project Based Assistance will have adequate options for permanent housing. All residents of housing units receiving Project Based Assistance will be encouraged to apply for various and appropriate types of permanent housing assistance offered by the Authority and other providers of affordable housing.

8. **Shared-Housing Projects**

The Authority will accept proposals from agencies that provide opportunities for households who want to share a housing unit. The following provisions apply to shared housing funded in part by Project Based Assistance:

- Section 8 eligibility will be determined separately for each of the individual households who are being considered for a shared housing unit.
- Project managers will determine suitability of each of the individual households considered for shared housing.
- Project owners may consider the gender of adults and older children of different households, subject to all Fair Housing laws and regulations, in determining the compatibility of households under consideration for a shared housing unit.
- A shared housing unit will be considered one housing unit for the purpose of determining rent reasonableness and determining Housing Assistance Payments. However, the Executive Director is authorized to develop unique methods of determining contract rents and payment standards as appropriate for projects with shared housing units.
- Housing assistance payments will not be increased if a shared housing unit is not fully occupied. Because a household's rent contribution is based on its income, the landlord may not increase an individual household's rent contribution if the unit is not fully occupied.
- Upon program completion, each of the individual households in a shared housing unit in a transitional program may be eligible for public housing if they meet all the eligibility conditions for public housing and subject to the same limitations specified in Section 7 above.

9. **Ensuring Safe and Decent Housing**

The Authority will ensure that all housing units and developments receiving Project Based Assistance are safe and decent. The Authority will utilize its Section 8 housing choice voucher program inspectors to inspect units receiving Project Based Assistance, including KCHA controlled and financed units, and will use HUD's Quality Housing Standards as a basis for conducting initial and annual inspections of all such units.

However, the Authority may develop its own housing quality standards to ensure that housing receiving Project Based Assistance is safe and decent. KCHA will inspect developments under application at the time of Contract execution rather than on the proposal selection date.

The management entity will be required to inspect all units receiving Project Based Assistance upon unit turnover and certify annually that all such units have been inspected and meet the required housing quality standards. Once a year, KCHA will perform inspections of a minimum of five units or 10 percent (randomly selected); whichever is more, of a development's units that receive Project Based Assistance. If more than 20 percent of the units fail inspection, 100 percent of the units will be inspected. The actual percentage inspected annually will be based on performance under past annual inspections.

10. **Payment Standards and Contract Rents**

The payment standards used to determine the appropriate subsidy level will be set independently of those for the Authority's Section 8 tenant-based program. KCHA intends to ensure that whenever possible, tenants of project-based units do not pay more than 30% of their adjusted income toward rent and utilities. Therefore, gross rents, which are calculated by adding the contract rent and the utility allowance for the minimum number of occupants for the unit size, will not exceed the Payment Standard. The Executive Director is also authorized to develop a unique set of reduced payment standards and project operating, capital and service reserve requirements to reflect, as appropriate, subsidy layering issues in projects receiving other governmental funds.

11. **Housing Assistance Payment (HAP) Contracts and other HUD documents**

The Housing Authority will enter into an agreement (HAP Contract) with the property management entity responsible for the units receiving Project Based Assistance. The contract may be executed following the start of demolition or construction so long as the owner can document that all federal requirements and Project Based Assistance policies have been met. The HAP Contract may specify the number of units under contract and the range of bedroom sizes under the contract rather than specific units. Additional, appropriate revisions to HUD's HAP Contract and other HUD-prescribed PBA documents will be made as necessary to ensure consistency with the policy provisions contained in this document and to reflect the use of the HAP contract to leverage private sector investment in affordable housing.

12. **Block Grant Policies**

KCHA receives the majority of its Section 8 Housing Choice Voucher Funds in the form of a block grant. To the extent that KCHA chooses to project base block grant funds, KCHA may elect to utilize a portion of these funds to assist in financing the acquisition or rehabilitation of housing, provided that such housing:

- Furthers the goals set forth in this policy.
- Is made available to low income households under the eligibility criteria detailed in KCHA's admissions policies.
- Will be dedicated to such use for a minimum of ten years.

KCHA may also adjust payment standards as appropriate to further the goals and objectives of this policy for units subsidized through the block grant program.

13. **Contract Term**

The term of HAP contracts awarded under this policy will generally be for ten years or less, conditioned on annual appropriations. If appropriations are cut back, priority for renewals will be given to Project Based Assistance over tenant-based assistance. However, the Authority reserves the right to offer longer contracts if determined necessary for financial leveraging and underwriting requirements. Contracts may be renewed after expiration of the five-year terms without limit and without competition at the sole discretion of the Authority.

14. **Rent Reasonableness**

Housing authority employees will make rent reasonableness determinations for all units, including KCHA controlled and financed units, using the same methodology and data source used for determining rent reasonableness for the Section 8 tenant-based program. If sufficient comparables are not available, KCHA may require a project owner to hire a third-party appraiser to conduct a market comparability study.

15. **Jurisdiction Restrictions**

KCHA reserves the right to enter into HAP contracts with owners in another Housing Authority's jurisdiction subject to an inter-agency agreement with the other Housing Authority.

16. **Housing Type**

KCHA will generally accept applications for Project Based Assistance for existing housing and new construction only. KCHA reserves the right to execute an Agreement to enter into a HAP Contract (AHAP) for rehabilitation projects when the AHAP is necessary to meet the requirements of other financing or to ensure that the project owner meets other federal requirements when PBA is the only federal funding source.

KCHA will add manufactured housing, transitional housing, and high-rise elevator buildings for families to the list of HUD-approved housing types.

17. **Inspections other than Housing Quality Standards.**

    Project owners will be required to conduct their own construction or rehab inspections mandated by the jurisdictions in which the project is located. KCHA staff will not conduct such inspections.

18. **Subsidy Layering Reviews**

    KCHA will not submit projects to HUD for subsidy layering review. KCHA will conduct subsidy-layering reviews in-house, or in partnership with local funders, and insure compliance with HUD guidelines.

19. **Mixed-Finance Developments and Public Housing Re-development Projects**

    KCHA may conform the funding structure and operating procedures of Project Based Assistance to that of other public subsidy programs in developments that have more than one type of government operating or rental subsidy and in developments that were formerly public housing developments. Changes may include: unique utility allowances; rent calculation methods and income disregards; interim review procedures; and community service requirements. Additional changes will be made in accordance with the Public Housing Admissions and Continued Occupancy Policy.

20. **Annual Tenant Recertification**

    KCHA will not conduct the second annual review for transitional program residents who are expected to move out at 24 months unless a tenant exceeds this time frame by an additional 3 months.

21. **Occupancy Standards**

    Occupancy Standards shall follow KCHA's Public Housing standards.

    If a family is in a wrong-size unit or an accessible unit that they do not require, they will be permitted to stay in that unit until an appropriate Contract Unit becomes available. If no appropriate unit-type is under contract, the following will occur:

    <u>Under-sized units:</u> KCHA will permit tenants of units too small for their family size to stay in the unit so long as they have landlord approval and are not jeopardizing their health and safety.

    <u>Over-sized units:</u> Tenants will be permitted to remain in the larger unit without an adjustment to tenant rent for the greater of 3 months or the tenant's next annual review, at which time they will be required to pay a higher rent or move from the unit.

22. **Environmental Review**

The Local Responsible Entity (RE) for KCHA's jurisdiction, as determined by HUD, is King County Government. King County will conduct all Environmental reviews for projects receiving other federal sources of funding. If the local RE refuses to conduct the review because KCHA provides the only source of federal funding in a project, KCHA or HUD will conduct the review.

23. Tenant Briefings

KCHA will permit KCHA-trained project owners and service providers to conduct briefings.

24. Supportive Services

Supportive services for all KCHA-funded supportive housing programs are defined as services that have a professional case management component that creates a direct relationship between the service provider and a member of each household. Services may also include, but are not limited to: mental health and substance abuse treatment, self-sufficiency & educational programs, housing stabilization, socialization activities, daily living skills, job training and job placement. KCHA will monitor the owner's provision of supportive services on an annual basis on its own or in partnership with a recognized supportive services funder that is invested in the project.

VI. IMPLEMENTATION AND EVALUATION

The Executive Director is authorized to develop a Project Based Assistance Program Administrative Plan to guide the implementation and operations of the Project Based Assistance Program consistent with the goals and provisions of this policy. In addition, the MTW annual plan will establish goals and limits for the number of Section 8 vouchers to be project-based and identify and prioritize the housing needs that will be addressed.

The Authority will annually evaluate the outcomes of the Project Based Assistance Program against the goals and objectives established in the policy and the annual implementation plans. These evaluations will be included in the Annual MTW Reports.

43: EXHIBIT S- ENERGY ASSISTANCE SUPPLEMENT TABLE

Effective 11/01/2024

A. The following EAS tables will be used for all Project-based units unless listed in paragraph B below:

SINGLE FAMILY HOMES						
Who provides electricity to your household?	**Does tenant pay for sewer/water/trash?**	**0-1 bed**	**2 bed**	**3 bed**	**4 bed**	**5+ bed**
SCL	**Yes**	$167	$210	$260	$326	$379
SCL	**No**	$88	$120	$149	$195	$226
PSE	**Yes**	$190	$236	$291	$361	$416
PSE	**No**	$112	$145	$179	$229	$263
NONE	**Yes**	$78	$91	$112	$132	$153

MULTI-FAMILY UNITS					
Who provides electricity to your household?	**Does tenant pay for sewer/water/trash?**	**0-1 bed**	**2 bed**	**3 bed**	**4+ bed**
SCL	**Yes**	$121	$150	$190	$236
SCL	**No**	$42	$59	$78	$104
PSE	**Yes**	$142	$172	$212	$260
PSE	**No**	$64	$82	$101	$129
NONE	**Yes**	$78	$91	$112	$132

B. Project-based units directly managed by King County Housing Authority and HOPE VI projects should refer to the Admission and Continued Occupancy Policy (ACOP) for determination of the proper EAS amount.

44: EXHIBIT T- INCOME BAND TABLES

Income Bands and Gross Rent Table for the Win Rent Program
Effective January 1, 2026

Annual Adjusted Gross Income	Monthly Total Tenant Payment (TTP)*
Less than $1,000	0
1,000 - 1,999	26
2,000 - 2,999	52
3,000 - 3,999	78
4,000 - 4,999	103
5,000 - 5,999	129
6,000 - 6,999	155
7,000 - 7,999	181
8,000 - 8,999	207
9,000 - 9,999	233
10,000 - 12,499	258
12,500 - 14,999	323
15,000 - 17,499	388
17,500 - 19,999	452
20,000 - 22,499	517
22,500 - 24,999	581
25,000 - 29,999	646
30,000 - 34,999	775
35,000 - 39,999	904
40,000 - 44,999	1,033
45,000 - 49,999	1,163
50,000 - 54,999	1,292
55,000 - 59,999	1,421
60,000 - 64,999	1,550
65,000 - 69,999	1,679
70,000 - 74,999	1,808
75,000 and above	31% of Total Gross Monthly Income

***The above table represents Total Tenant Payment amounts under the WIN Rent program ONLY,** as detailed in this Plan. In general, the actual Tenant Rent due is equal to the TTP (above), less any applicant KCHA established Energy Assistance Supplement for the unit. If the Tenant Rent is less than the established Minimum Rent of $25, the Tenant Rent

will be applied as calculated, including any Energy Supplement Reimbursement, for a period of no more than 6 months. After 6 months, Minimum Rent will be applied.

For households with income equal to $75,000 or more, the TTP is equal to 31% of the household's total Gross Monthly Income.

In limited circumstances, KCHA has entered into mixed finance operating agreements under the Low Income Housing Tax Credit program (LIHTC). Where LIHTC regulations limit the amount of rent that can be charged to a resident to an amount below that show above (and calculated according to WIN Rent program policies), the lower LIHTC rent maximum will be applied.