



**HOUSING COMMISSION AGENDA**  
**Regular Meeting Date: February 9, 2022**  
**Time: 8:00 a.m.**

Due to the COVID-19 public health emergency, the Housing Commission meetings are teleconferenced to protect the public’s health and prevent the disease and its variants from spreading in our communities. Members of the public can attend the meetings through Zoom or call in by telephone.

**Join on Zoom by clicking this link:**

<https://us02web.zoom.us/j/88460095724>

Meeting ID: 884 6009 5724

**Join by phone:**

Dial: 1-888-788-0099

Meeting ID: 884 6009 5724

<b>AGENDA</b>			<b>PAGE</b>
<b>1. CALL TO ORDER / ROLL CALL</b>			
<b>2. RESOLUTION NO. 01-22 APPROVING THE IMPLEMENTATION OF TELECONFERENCING REQUIREMENTS UNDER GOVERNMENT CODE SECTION 54953(e) (AB361)</b>	<b>ACTION</b>		2
<b>3. MINUTES OF THE DECEMBER 8, 2021, HOUSING COMMISSION MEETING</b>	<b>ACTION</b>		7
<b>4. PUBLIC COMMENT - On matters not on the agenda</b> Members of the public can share their comment(s) in the Zoom meeting during the “Public Comment” portion of the agenda and/or email their comments to <a href="mailto:melissat@haca.net">melissat@haca.net</a> . If the comments are on an item on the meeting agenda, the public may comment on that agenda item when the Housing Commission Chair calls for public comments on the item. There is a time limit of 3 minutes for each public speaker. The Chairperson has the discretion to further limit this time if warranted by the number of public speakers who wish to address the Housing Commission.			
<b>5 EXECUTIVE DIRECTOR’S REPORT</b>	<b>INFORMATION</b>		12
<b>6. NEW BUSINESS</b>			
<b>6-1.</b> Resolution No. 02-22 Approving Amendments to HACA’s Conflict of Interest Code	<b>ACTION</b>		16
<b>6-2.</b> Approve amendments to HACA’s Section 8 Housing Choice Voucher Administrative Plan	<b>ACTION</b>		18
<b>6-3.</b> Housing Quality Standards Inspections	<b>PRESENTATION</b>		22
<b>6-4.</b> Budget Status Report	<b>INFORMATION</b>		23
<b>6-5.</b> Program Activity Report	<b>INFORMATION</b>		25
<b>7. COMMISSIONER REPORTS</b>	<b>INFORMATION</b>		
<b>8. ADJOURNMENT</b>			

**TELECONFERENCING REQUIREMENTS**

**RESOLUTION NO. 01-22**

**APPROVING THE IMPLEMENTATION OF TELECONFERENCING  
REQUIREMENTS UNDER GOVERNMENT CODE 54953(e) (AB361)**

**HOUSING AUTHORITY OF THE COUNT OF ALAMEDA**

**AGENDA STATEMENT**

Meeting: February 9, 2022

Subject: Consideration to Approve Resolution to Implement  
Teleconferencing Requirements Pursuant to Government Code  
section 54953 (e) (AB 361)

Exhibits Attached: Resolution No. 01-22

Recommendation: Adopt Resolution

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**BACKGROUND**

On March 17, 2020, to address the need for public meetings during the present public health emergency caused by the COVID-19 virus, Governor Newsom issued Executive Order No. N-29-20, suspending the existing requirements and criteria under the Brown Act, enabling public agencies to conduct their public agenda meetings by teleconference.

On June 11, 2021, Governor Newsom issued Executive Order No. N-8-21, continuing the suspension of the Brown Act’s teleconferencing requirements through September 30, 2021. Both these Executive Orders allowed public agencies to meet virtually without providing members of the public the right to access the locations from which members of the public agency’s elected officials participated in meetings, thereby eliminating the access requirements under the standard Brown Act teleconference requirements.

On September 16, 2021, Governor Newsom signed into law, Assembly Bill (“AB”) 361, amending Government Code section 54953 to provide authority and specific requirements for public agencies to continue to hold virtual meetings after September 30, 2021, during a proclaimed state of emergency and remain in compliance with the Brown Act (Gov. Code §§ 54950, *et seq.*).

**DISCUSSION**

The new law enacted by AB 361 requires a notice requirement which provides members of the public instructions on how to access the public agency’s virtual meetings enabling members of the public to communicate directly with the agency’s elected body during

the allotted public comment time. In contrast, the prior Executive Orders issued by Governor Newsom limited public comments to only comments submitted in advance of the meeting.

AB 361 also adds a procedural requirement requiring public agencies to adopt a resolution in advance of conducting any further virtual public meetings. Government Code section 54953(e) permits legislative bodies and public agencies to make decisions whether to hold virtual meetings at the time of the meeting and does not restrict it to one-time use.

At your December meeting, your Commission adopted Resolution No. 12-21 to approve the implementation of teleconferencing requirements pursuant to AB361. AB 361 requires public agencies to adopt subsequent resolutions every 30 days to continue the use of virtual meetings. Since your Commission did not hold its regular meeting in January staff is recommending that your Commission approve a resolution implementing the teleconferencing requirements pursuant to Government Code section 54953(e) as amended by AB 361.

Upon approval of the resolution your Commission may proceed with the rest of the regular agenda.

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**RESOLUTION NO. 01-22**

**APPROVING THE IMPLEMENTATION OF TELECONFERENCING REQUIREMENTS UNDER  
GOVERNMENT CODE SECTION 54953 (e) (AB 361)**

**WHEREAS**, on March 17, 2020, Governor Newsom issued Executive Order N-29-20 that suspended the teleconference rules set forth in the California Open Meeting law, Government Code section 54950, *et seq.* (the “Brown Act”), which provided certain requirements were met and followed; and

**WHEREAS**, on June 11, 2021, Governor Newsom issued Executive Order N-08-21 that clarified the suspension of the teleconferencing rules set forth in the Brown Act, and further provided that those provisions would remain suspended through September 30, 2021; and

**WHEREAS**, a further required condition of Government Code section 54953(e) is that state or local officials have imposed or recommended measures to promote social distancing, and;

**WHEREAS**, due to the seriousness of the current pandemic situation, the Housing Authority of the County of Alameda has implemented several safety measures including a requirement that all employees to wear facial coverings when not alone in a private office or meeting room and remain socially distanced; and

**WHEREAS**, Government Code section 54953(e) requires that the public agency make additional findings every thirty (30) days to continue virtual meetings.

**NOW, THEREFORE, BE IT RESOLVED:**

1. All the above recitals are true and correct and are incorporated into this Resolution by this reference.
2. The Commission finds that state and local officials have imposed or recommended measures to promote social distancing.
3. The Commission therefore determines that it and its legislative body shall conduct their meetings virtually by teleconferencing in accordance with Government Code section 54953(e)
4. This Resolution expires thirty (30) days after the date of its adoption only to the extent required by law. Otherwise, this Resolution shall remain in effect until repealed by the Commission or pursuant to action by the Commission.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA  
RESOLUTION NO.: 01-22: APPROVING THE IMPLEMENTATION OF TELECONFERENCING REQUIREMENTS UNDER GOVERNMENT  
CODE SECTION 54953 (e) (AB 361)  
FEBRUARY 9, 2022

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**PASSED, APPROVED AND ADOPTED** by the Housing Commission of the Housing Authority of the County of Alameda on this 9<sup>th</sup> day of February 2022 by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**EXCUSED:**

**ABSENT:**

**ATTEST:**

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Kurt Wiest  
Executive Director/Housing Commission Secretary

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Peggy McQuaid  
Housing Commission Chairperson

**Adopted:** February 9, 2022

**HOUSING COMMISSION**  
**MEETING MINUTES**  
**December 8, 2021**



**SUMMARY ACTION MINUTES**

**HOUSING COMMISSION**

**Regular Meeting: December 8, 2021**

**Meeting Time: 8:00 a.m.**

*Based on guidance provided by the Centers for Disease Control Prevention, Governor Newsom’s Executive Orders and Alameda County Public Health officials, HACA’s office building is temporarily closed to the public and in-person meetings have been suspended until further notice. This Housing Commission meeting was conducted on the Zoom video conference platform and by phone.*

**1. CALL TO ORDER / ROLL CALL**

**CALL TO ORDER:**

Chairperson McQuaid called the meeting to order at 8:01 a.m.

**ROLL CALL:**

**Present:**

Commissioner Pete Ballew	Commissioner Monith Ilavarasan
Commissioner Scott Donahue	Commissioner Shawn Kumagai
Commissioner Pat Gacoscos	Commissioner Sara Lamnin
Commissioner Mark Gerry	Chairperson Peggy McQuaid
Commissioner Michael Hannon	

**Entered after roll call:**

Commissioner Angela Finley  
Vice Chairperson Yang Shao

**Excused:**

Commissioner Andrew Serna

**2. RESOLUTION 12-21: APPROVING THE IMPLEMENTATION OF TELECONFENCING REQUIREMENTS UNDER AB361**

Kurt Wiest, Executive Director, presented the staff report. Report received with no questions or comments from the Housing Commission.

Recommendation: Adopt Resolution No. 12-21 approving the implementation of teleconferencing requirements under AB361.

Motion/Second: Hannon/Shao.

Upon a roll call of the votes being taken the votes were:

Ayes: Cmr. Ballew, Donahue, Finley, Gacoscos, Gerry, Hannon, Kumagai, Ilavarasan, Lamnin, and McQuaid.

Motion passed. **APPROVED AS RECOMMENDED.**



**3. ACTION: APPROVAL OF THE MINUTES OF THE OCTOBER 13, 2021 MEETING**

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Recommendation: Approve the summary action minutes of the October 13, 2021 Housing Commission meeting with the following correction:

*Commissioner Lamnin invited all to attend a memorial dedicated to children who have been lost to violence on October 22 at 3:30 p.m.*

Motion/Second: Shao/Donahue.

Upon a roll call of the votes being taken the votes were:

Ayes: Ballew, Donahue, Finley, Gacoscos, Gerry, Ilvarasan, Lamnin, McQuaid, and Shao.

Motion passed. **APPROVED AS RECOMMENDED.**

**4. PUBLIC COMMENT- ON MATTERS NOT ON THE AGENDA**

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None.

**5. INFORMATION: EXECUTIVE DIRECTOR'S REPORT**

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Kurt Wiest, Executive Director, presented his report. Mr. Wiest welcomed and introduced Alicja Hermanson, HACA's new Financial Accounting Manager. Ms. Hermanson thanked Mr. Wiest for the welcome and stated that she is excited and honored to work at HACA. Mr. Wiest indicated that staff is in the process of recruiting a few other key management positions and provided an update on these recruitments. Mr. Wiest updated the Housing Commission on COVID-19 relative to HACA's operations. He indicated that HACA does not have any definitive plans yet to re-open the building to the public and talked about the factors that will trigger staff to start planning for a re-opening. Mr. Wiest announced that the City of Emeryville has appointed a new representative to the Housing Commission and welcomed Courtney Welch who was in attendance. Ms. Welch commented that she is looking forward to working on the Housing Commission. Mr. Wiest explained that staff will work with the Alameda County Board of Supervisors to get their final approval on the appointment and will reach out to Ms. Welch at a later date to coordinate a new Housing Commissioner orientation. Chairperson McQuaid welcomed Ms. Welch to the Housing Commission.

**6. NEW BUSINESS**

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**6-1. INFORMATION: BUDGET STATUS REPORT**

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Mansoorali Hudda, Finance Director presented the staff report. The budget status report was shared on screen and the report was received by the Housing Commission.

Commission Discussion: Cmr. Hannon asked that Mr. Hudda describe the different sources of revenue for the benefit of the new commissioners. Mr. Hudda explained that HACA's primary source of funding is the U.S. Department of Housing and Urban Development (HUD). He described how HACA uses HUD funding to administer HACA's housing programs and talked about some of the challenges that HACA continues to experience because of insufficient funding from HUD.

**6-2. PRESENTATION: HACA'S FINANCIAL SUSTAINABILITY**

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Mr. Wiest introduced this item. Mansoorali Hudda presented the staff report. Mr. Hudda gave a presentation on HACA's financial sustainability. The presentation was shared on screen with the Housing Commission and the public. In his presentation he explained why HACA's operating budget is projecting a deficit, he described some of the key initiatives that HACA plans to carry out to reduce the deficit and talked about opportunities that HACA will pursue to establish additional revenue in the upcoming fiscal year.

Commission Discussion: Cmr. Kumagai, Mr. Wiest, and Mr. Hudda discussed the current loan agreement between Eden Housing and HACA that was established when HACA converted and the Arroyo Vista development in the city of Dublin. Cmr. Hannon thanked Mr. Hudda for the presentation. Cmr. Hannon, Jennifer Cado, Senior Administrative Analyst, and Mr. Hudda discussed additional vouchers that HUD issued to HACA and the amount of funding that HACA received for these special programs. They also discussed the additional funding that HUD is providing to HACA for the Emergency Housing Voucher (EHV) Program. Cmr. Donahue and Mr. Wiest discussed the Emery Glen lawsuit. Cmr. Gacoscos and Mr. Wiest discussed HUD's rent caps on the project-based units in the city of Union City. Cmr. Ilvarasan, Mr. Hudda and Mr. Wiest discussed program utilization, HUD's fair market rents, the benefit payment standards, and administrative fees. Chairperson McQuaid thanked Mr. Hudda and staff for the comprehensive presentation. Chairperson McQuaid and Laura Broussard Rose, Deputy Executive Director discussed HACA's contracts with Nan McKay and with the Alameda County District Attorney's office.

**6-3. INFORMATION: PROGRAM ACTIVITY REPORT**

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Daniel Taylor, Special Programs Manager, presented the staff report. Mr. Taylor described how the Family Self-Sufficiency program works. He reported on the annual *It's Your Time to Shine* event and the upcoming FSS *Giving Connection* event.

Commission Discussion: Chairperson McQuaid asked how to donate to FSS and Mr. Taylor provided information on the different ways to donate.

**7. COMMISSIONER REPORTS**

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None.

**8. ADJOURNMENT**

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There being no further business to discuss Chairperson McQuaid adjourned the meeting at 9:24 a.m.

Respectfully submitted,

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Melissa Taesali  
Executive Assistant/Housing Commission Clerk

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Kurt Wiest  
Executive Director/Housing Commission Secretary

**Approved:**

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Peggy McQuaid  
Housing Commission Chairperson

# **EXECUTIVE DIRECTOR'S REPORT**

**February 9, 2022**

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**EXECUTIVE DIRECTOR'S REPORT**

Meeting Date: February 9, 2022

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1. **Management Staff Change – Procurement & Purchasing Manager:** Last year HACA's Purchasing & Procurement Manager position became open upon the resignation of Beverly Brewer. We welcome Aundra Richards to this important position.

Aundra was most recently at AC Transit where she was the Assistant Director of Procurement. She has an extensive background in federal procurement at AC Transit and the Department of Energy (DOE). Aundra has a Bachelor of Arts as well as a Master of Arts degree in History.

2. **Recruitment Update for Open Management Positions:** We have completed the search and made appointments for three management classifications: Housing Programs Manager (2 positions) and a Human Resources Manager. We are pleased with the experience and depth of knowledge each of these new managers will bring to HACA. They will begin soon and will be introduced to the Housing Commission at the March 9 Commission meeting.

3. **Project-Based Voucher (PBV) Awards:** In November 2021 we issued a Request for Proposals (RFP) for our Project-Based Voucher program. The focus for this years' RFP was to target areas and populations in our jurisdiction that have been underserved by PBVs, and to include both existing and new construction projects. We offered a total of 160 units to be Project-based to serve senior (62+), Veteran, and homeless populations, including the California HomeKey program, which is a statewide effort to sustain and rapidly expand housing for those who are homeless or at risk of homelessness. The target areas for this RFP were Albany, Hayward, Newark and Unincorporated Alameda County in HACA's jurisdiction.

We consider this most recent RFP a success as we received a total of twelve proposals from eight developers, covering each of the above areas and populations.

Here is a breakdown by targeted location:

- Albany: A new construction project that will serve homeless individuals and families.
- Hayward: Six projects, existing and new construction, that will serve seniors and homeless individuals and families.
- Newark: A new construction project that will serve seniors and an existing hotel site that will serve Veterans and homeless individuals and families through the HomeKey program.
- Unincorporated Ashland, Cherryland and Fairview: All new construction, that will serve seniors and homeless individuals and families.

Staff has made one award in January and is currently reviewing the remaining proposals and will be making awards in February. Based on HUD's current PBV program cap, we anticipate issuing RFPs for approximately 50 to 100 units in both 2022 and 2023. We will also keep an interest list of projects so that we have a pulse on emerging needs in our jurisdiction.

4. **COVID-19 and HACA Operations**: The coronavirus pandemic is now into its 23<sup>rd</sup> month. The most recent challenge has been the omicron surge, which resulted in a 15% infection of the HACA workforce. Virus transmission occurred outside of the workplace and all employees are now back to work after quarantine and an absence of symptoms. We continue to follow strict health and safety guidelines within our workspace and strongly encourage receiving the COVID-19 vaccine and booster.

We believe the standards set by the Alameda County's Public Health Order are the clearest and most appropriate to follow. Any change to our operations will be based on modifications to this Order.

5. **Family-Self Sufficiency (FSS) Grant Award**: HACA was recently notified by HUD that our grant application in support of our FSS program has been approved and we've been awarded \$454,859.00 towards case management services. We're grateful for HUD's ongoing support and confidence in our efforts to help our FSS participants achieve economic self-sufficiency.
6. **Update on City of Emeryville Housing Commission Appointment**: The Alameda County Board of Supervisors has in their hands the request to appoint Courtney Welch to the Housing Commission to replace Scott Donahue as the representative for the City of Emeryville. Approval by the Board of Supervisors is expected to happen in an upcoming meeting.

**NEW BUSINESS**  
**February 9, 2022**

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**AGENDA STATEMENT**

Meeting: February 9, 2022

Subject: Resolution Approving Amendments to HACA’s Conflict of Interest Code

Exhibits Attached: - Resolution No. 02-22  
- Attachment A: Marked and clean versions of HACA’s Conflict of Interest Code

Recommendation: Adopt Resolution No. 02-22 approving amendments to HACA’s Conflict of Interest Code

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**BACKGROUND**

The Political Reform Act (Government Code §81000) requires state and local government agencies to adopt a Conflict of Interest Code (Code) and to review the Code on a biennial basis. The biennial review of the Code typically occurs in even numbered years.

**DISCUSSION AND ANALYSIS**

Since the last review of HACA’s Code, there have been updates to certain HACA job classifications and job classification titles, some of which are listed in the Code’s List of Designated Employees which identifies the HACA employees who required to disclose certain economic interests. All of these updates require that staff amend the Code.

Staff is proposing to amend HACA’s Code in order to make these updates to the list of designated employees as well as clean-up some language in the overall Code. The edited and clean versions of HACA’s Code are under Attachment A. Staff recommends that your Commission adopt Resolution No. 02-22 approving the proposed amendments to HACA’s Conflict of Interest Code.

Upon approval by your Commission, staff will submit the amended Code to the Alameda County Board of Supervisors for their final approval. The amended Code does not become effective until approved by the Alameda County Board of Supervisors.



**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**RESOLUTION NO. 02-22**

**APPROVING AMENDMENTS TO CONFLICT OF INTEREST CODE FOR THE  
HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**WHEREAS**, the Political Reform Act (Government Code §81000 et seq.) requires every local governmental agency to review its Conflict of Interest Code (“Code”) for accuracy to determine if it is necessary to amend the Code; and

**WHEREAS**, the Housing Authority of the County of Alameda (“HACA”) has reviewed its Code and has determined that amendments to the Code are necessary in order to update job classifications in the Code’s List of Designated Employees which identifies the employees who are required to disclose certain economic interests as well as clean-up language in the overall Code.

**NOW, THEREFORE, BE IT RESOLVED**, that the Housing Commission of the Housing Authority of the County of Alameda does hereby approve the amendments to the Code.

**BE IT FURTHER RESOLVED**, that the Executive Director shall submit the amended Code to the Alameda County Board of Supervisors for final approval.

**PASSED, APPROVED, AND ADOPTED** by the Housing Commission of the Housing Authority of the County of Alameda on this 9<sup>th</sup> day of February 2022, by the following vote:

**AYES:**

**NAYS:**

**ABSTAIN:**

**EXCUSED:**

**ABSENT:**

**Attest:**

\_\_\_\_\_  
Kurt Wiest  
Executive Director/Housing Commission Secretary

\_\_\_\_\_  
Peggy McQuaid  
Housing Commission Chairperson

**Adopted:** February 9, 2022

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**AGENDA STATEMENT**

Meeting: February 9, 2022

Subject: Section 8 Administrative Plan Policy Revisions  
Exhibits: Attachment B: Redline Summary of Policy Revisions  
Recommendation: Approve Proposed Policy Revisions

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**BACKGROUND**

HACA’s Section 8 Housing Choice Voucher (HCV) Program Administrative Plan (Admin Plan) sets forth HACA’s policies for administering the Section 8 Program in a manner consistent with HUD requirements and HACA’s Agency Plan. HACA’s Admin Plan is available for public review.

From time to time it becomes necessary to amend the Admin Plan in order to incorporate new or changed HUD regulations, new or revised HACA practices or program initiatives, or to make clarifications or corrections. Staff also periodically revises the Admin Plan for citation changes and grammatical or non-substantive edits. Only amendments that change HACA policy are brought to your Housing Commission for approval. Today, revisions to Chapters 1, 2, 3, 5, 6, 7, and 9 are being submitted for your approval.

**DISCUSSION and ANALYSIS**

**CHAPTER 1 – OVERVIEW OF THE HOUSING CHOICE VOUCHER PROGRAM AND THIS ADMINISTRATIVE PLAN**

1-III.D. UPDATING AND REVISING THE PLAN (page 1-16)

Updated language to state that HACA’s admin plan will be updated as needed as opposed to an annual schedule.

**CHAPTER 2 – FAIR HOUSING AND EQUAL OPPORTUNITY**

2-I.A. OVERVIEW (pages 2-2 through 2-3)

Added California fair housing laws and expanded list of protected classes.

**CHAPTER 3 – ELIGIBILITY**

**3-I.F. DEPENDENT (page 3-6)**

Updated custody language from 183 days per year to at least 50% of the time for dependents to be considered members of the family.

**3-I.M. LIVE-IN AIDE (page 3-10)**

Removed language stating that HACA will reapprove live in aids every 2 years as it's not current practice. Added language stating that total persons in household must meet the space requirements under HQS.

**3-III.B. REQUIRED DENIAL OF ASSISTANCE (pages 3-25 through 3-28)**

Language updated in accordance with HUD and OGC guidance in regards to denial of assistance. Removed policy stating that HACA will use records of eviction as evidence for criminal activity. Removed policy stating that HACA will use records of arrest as the sole basis of determining reasonable cause. Reasonable time changed from 5 to 3 years for past convictions.

**CHAPTER 5 – BRIEFINGS AND VOUCHER ISSUANCE**

**5-II.B. DETERMINING FAMILY UNIT (VOUCHER) SIZE (page 5-12)**

Policy for determining family unit size updated for clarity under the subsidy standard section (old chart removed).

**5-II.D. VOUCHER ISSUANCE (page 5-14)**

Added language for participant voucher issuance which requires proper notice to move. Proper notice is defined.

**5-II.E. VOUCHER TERM, EXTENSIONS, AND SUSPENSIONS (pages 5-15 through 5-16)**

Voucher term, extensions and suspensions policy language updated for clarity. Also changed policy for when voucher term is applied for participant moves, set at 180 days from the scheduled move out date. Additionally, Expiration of Voucher Term policy added in accordance with the HCV Guidebook. Lastly, the Voucher Term policy was updated to allow the ED to increase initial voucher terms and to approve extensions in response to emergencies (added due to Covid-19).

**CHAPTER 6 – INCOME AND SUBSIDY DETERMINATIONS**

**6-I.B. HOUSEHOLD COMPOSITION AND INCOME (page 6-4)**

Added "school records" as acceptable documentation for joint custody of dependents, updated custody language to 50% per Chapter 3 changes.

6-I.C. ANTICIPATING ANNUAL INCOME (pages 6-6 through 6-9)

Anticipating Annual Income section reverted to model plan language.

6-I.E. EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES (page 6-14)

Original Calculation Method section removed due to repetitiveness. Changed EID Income exclusion to 100% for second year.

6-I.G. ASSETS (pages 6-18 through 6-20)

Updated timeframe for reviewing passbook rate for inputting income from assets, cleaned up regulatory and policy language.

6-II.F. CHILD CARE EXPENSE DEDUCTION (page 6-46)

Replaced "local welfare agency" with a broader definition.

6-III.B. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT (page 6-51)

Changed minimum rent hardship exemption to \$50 to match HACA's minimum rent.

6-III.C. APPLYING PAYMENT STANDARDS (pages 6-53 through 6-55)

Reverted to model plan language under the decreases in payment standards section in reference to holding tenants harmless for decreases in payment standards.

**CHAPTER 7 – VERIFICATION**

7-I.B. OVERVIEW OF VERIFICATION REQUIREMENTS (pages 7-3 through 7-4)

Cleaned up language regarding requirements for acceptable documents. Removed language that was not intended for this chapter regarding the documentation of assets.

7-I.C. UP-FRONT INCOME VERIFICATION (pages 7-6 through 7-7)

Removed language that was not intended for this chapter regarding streamlined reexaminations.

7-I.D. THIRD-PARTY WRITTEN AND ORAL VERIFICATIONS (pages 7-8 through 7-10)

Minor policy flexibilities added regarding paystub requests to cover at least 4 weeks of pay and allowing HACA to request additional paystubs or payroll records. Also changed Value of Assets and Asset Income policy to state that HACA will always verify assets regardless of the amount.

7-II.A. VERIFICATION OF LEGAL IDENTITY (page 7-12)

Requirement for government employer identification card to have a picture (for verification of legal identity).

7-II.B. SOCIAL SECURITY NUMBERS (page 7-15)

Removed language stating that HACA will destroy copies of documentation during the EIV verification process.

7-II.H. VERIFICATION OF PREFERENCE STATUS (page 7-24)

Addition of preference verification language.

7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME (page 7-25)

Self-employment income verification policy updated to reflect current practice.

7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS (page 7-27)

Removed social security income calculation instructions.

7-III.J. STUDENT FINANCIAL ASSISTANCE (page 7-32)

Included higher education "fees and other required charges" as part of excluded income.

7-IV.D. CHILD CARE EXPENSES (7-40)

Updates policy in regards to pursuing eligible activities for employment/education.

**CHAPTER 9 – GENERAL LEASING POLICIES**

9-I.B. REQUESTING TENANCY APPROVAL (pages 9-4, 9-11)

Removed submittal of original copy policy for the completed RTA.

9-I.E. LEASE AND TENANCY ADDENDUM (page 9-8)

Removed policy stating that HACA will use the model lease.

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Staff recommends that your Commission approve the revisions to the Admin Plan. Once approved, staff training will be conducted and the revised Plan will be implemented.

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**AGENDA STATEMENT**

Meeting: February 9, 2022

Subject: Housing Quality Standards (HQS) Inspections Overview

Exhibits Attached: None

Recommendation: Receive presentation

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**DISCUSSION**

Your Housing Commission has requested an overview of Housing Quality Standards (HQS) inspection requirements for the Housing Choice Voucher (HCV) Program.

At your February Commission meeting, staff will present a PowerPoint presentation that provides information on HQS requirements, policies, and procedures at HACA.

# **BUDGET STATUS**

# **REPORT**

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA  
 BUDGET STATEMENT OF REVENUES, AND EXPENSES  
 FOR THE PERIOD ENDED DECEMBER 31, 2021

	Housing Choice Voucher			Housing Development Fund			PACH		
	Approved Budget FY 2021-2022	Budget 12/31/2021	Actuals 12/31/2021	Approved Budget FY 2021-2022	Budget 12/31/2021	Actuals 12/31/2021	Approved Budget FY 2021-2022	Budget 12/31/2021	Actuals 12/31/2021
<b>Housing Assistance Payments (HAP)</b>									
Est. HUD PHA grants-HAP	135,496,077	67,748,039	68,890,961						
Less: Est. HAP expenses	135,537,912	67,768,956	69,357,302						
<b>Operating Income</b>									
Rental revenue - tenants	-	-	-	143,000	71,500	71,570	1,417,176	708,588	658,975
Other revenue -tenants	-	-	-	-	-	-	110,081	55,041	55,038
HUD PHA grants (Including Covid 19 Admin. Funds)	7,836,815	3,918,407	3,559,892	-	-	-	3,760,704	1,880,352	1,904,090
Other revenue	327,518	163,759	156,314	42,500	21,250	33,213	3,500	1,750	13,519
Other revenue - property management fees	-	-	-	1,762,440	881,220	881,220	-	-	-
Investment income	-	-	-	19,000	9,500	4,169	16,460	8,230	11,905
<b>Total</b>	<b>8,164,333</b>	<b>4,082,166</b>	<b>3,716,206</b>	<b>1,966,940</b>	<b>983,470</b>	<b>990,172</b>	<b>5,307,921</b>	<b>2,653,961</b>	<b>2,643,527</b>
<b>Operating Expenses</b>									
Administrative salaries	(4,830,163)	(2,415,082)	(1,819,755)	(511,713)	(255,857)	(151,931)	-	-	-
Administrative expenses	(1,993,080)	(996,540)	(804,689)	(104,620)	(52,311)	(50,376)	(896,678)	(448,339)	(561,426)
Property Management and Administrative Service Fees							(1,670,400)	(835,200)	(835,200)
Utilities	-	-	-	(44,190)	(22,095)	(28,311)	(229,153)	(114,577)	(133,738)
Covid 19 Expenses	-	-	-	-	-	-	-	-	-
Maintenance services	-	-	-	(147,164)	(73,582)	(70,720)	(1,279,634)	(639,817)	(312,791)
General expenses	(181,375)	(90,687)	(45,668)	(14,137)	(7,069)	(9,131)	(194,946)	(97,473)	(75,299)
Employee benefits	(2,753,193)	(1,376,596)	(1,095,859)	(368,110)	(184,055)	(133,145)	-	-	-
<b>Total</b>	<b>(9,757,811)</b>	<b>(4,878,905)</b>	<b>(3,765,971)</b>	<b>(1,189,934)</b>	<b>(594,969)</b>	<b>(443,614)</b>	<b>(4,270,811)</b>	<b>(2,135,406)</b>	<b>(1,918,454)</b>
<b>Income (Loss)</b>	<b>(1,593,478)</b>	<b>(796,739)</b>	<b>(49,765)</b>	<b>777,006</b>	<b>388,501</b>	<b>546,558</b>	<b>1,037,110</b>	<b>518,555</b>	<b>725,073</b>
<b>Cash &amp; Investments as of 12/31/2021</b>			<b>5,584,010</b>			<b>4,631,151</b>			<b>12,984,754</b>

\*\*

Restricted	2,612,000
Unrestricted	10,372,754
<b>Total</b>	<b>12,984,754</b>



# **PROGRAM ACTIVITY**

## **REPORT**

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**AGENDA STATEMENT**

Meeting: February 9, 2022

Subject: Programs Activity Report

Exhibits Attached: Section 8 Contract and Housing Assistance Payments (HAP) Report;  
Section 8 Average Contract Rent Report; FSS Program Monthly Report

Recommendation: Receive Report

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**SECTION 8 HOUSING CHOICE VOUCHERS (HCV)**

- **Lease-Up:** The below chart provides the number of Section 8 HCV program units under contract. This number includes HACA vouchers and portability clients for which we are being billed by the receiving housing authority but excludes portability clients for which we are billing the initial housing authority.

	2/1/2022	2/1/2021	2/1/2020
	6,629	6,165	6,033

- **HCV Program Utilization:** The below chart provides the average HAP subsidy, average tenant-paid portion, and average contract rent. These amounts include HACA vouchers, but do not include incoming and outgoing portability clients.

	2/1/2022	2/1/2021	2/1/2020
Average HAP Subsidy	\$1,774	\$1,726	\$1,676
Average Tenant-Paid Rent	\$554	\$548	\$570
Average Contract Rent	\$2,328	\$2,274	\$2,247

- ❖ The below chart provides the outgoing billed portability contracts (i.e., HACA voucher holders who are housed in another housing authority’s jurisdiction) and incoming portability contracts where HACA billed other housing authorities.

	2/1/2022	2/1/2021	2/1/2020
Outgoing Billed Portability Contracts	76	170	157
Incoming Portability Contracts	42	447	464

- ❖ PACH has 230 project-based voucher (PBV) units. The chart below provides the number of these units that are leased.

2/1/2022	2/1/2021	2/1/2020
223	223	224

- **Section 8 Contract Reports:** Copies of the Contract Reports are attached. The Section 8 Contract and HAP Report includes HACA certificates, HACA vouchers and portability clients for which we are billing the initial housing authority. The Section 8 Average Contract Rent Report includes HACA vouchers and portability clients for which we are billing the initial housing authority.

- **Landlord Rental Listings:** As of January 3, 2022, there were 44 active properties listed.

	2/1/21	3/1/21	4/1/21	5/3/21	6/1/21	7/1/21	8/1/21	9/1/21	10/1/21	11/1/21	12/1/21	1/3/22
Units	97	95	111	97	89	72	67	58	51	54	50	44

- **HCV Housing Quality Standards (HQS) Inspections and Abatements:** The below chart provides quarterly information on HQS inspections and HQS abatements.

	Q4 2021	Q3 2021	Q2 2021
Scheduled Annual Inspections	1,274	1,661	1,780
Passed the Day Inspected	819	1,005 (61%)	1,166 (66%)
Failed Inspection	196	311 (19%)	317 (15%)
No Shows or Deferred Due to COVID-19	247	329 (20%)	228 (18%)
Moved Out Prior to Inspection	12	16 (1%)	25 (1%)
HAP Abatements for Non-Compliance with HQS	6	11	11

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**  
**Section 8 Contract and HAP Report for the month of January 2022**

City	Certificates		Vouchers		JANUARY 2022 TOTAL		JANUARY 2021	JANUARY 2020
	Number	HAP*	Number	HAP**	Number	HAP		
		based on avg \$ 2,049		based on avg \$ 1,773				
Albany	0	\$0	12	\$21,276	12	\$21,276	12	13
Castro Valley	3	\$6,147	230	\$407,790	233	\$413,937	225	216
Dublin	3	\$6,147	418	\$741,114	421	\$747,261	407	395
Emeryville	6	\$12,294	154	\$273,042	160	\$285,336	153	147
Fremont	19	\$38,931	1,192	\$2,113,416	1,211	\$2,152,347	1,117	1,082
Hayward	37	\$75,813	1,844	\$3,269,412	1,881	\$3,345,225	1,841	1,917
Newark	6	\$12,294	226	\$400,698	232	\$412,992	227	233
Pleasanton	3	\$6,147	291	\$515,943	294	\$522,090	267	221
San Leandro	14	\$28,686	1,313	\$2,327,949	1,327	\$2,356,635	1,309	1,340
San Lorenzo	2	\$4,098	175	\$310,275	177	\$314,373	177	187
Union City	9	\$18,441	704	\$1,248,192	713	\$1,266,633	702	696
<b>TOTALS</b>	<b>102</b>	<b>208,998</b>	<b>6,559</b>	<b>11,629,107</b>	<b>6,661</b>	<b>11,838,105</b>	<b>6,437</b>	<b>6,447</b>

\* Based on an average January Housing Assistance Payment (HAP) of \$2,049 per certificate contract

\*\*Based on an average January Housing Assistance Payment (HAP) of \$1,773 per voucher contract

## HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

Section 8 Average Contract Rent Report for the Month of January 2022

City	Number of HAP Contracts (HCV Only)	Average Contract Rent	Average HAP Paid by HACA	Average Rent Paid by Family	Average Family-Paid Rent as a Percentage of Average Contract Rent
Albany	12	\$1,729	\$1,326	\$403	23%
Castro Valley	230	\$2,350	\$1,794	\$556	24%
Dublin	418	\$2,324	\$1,803	\$520	22%
Emeryville	154	\$1,930	\$1,423	\$507	26%
Fremont	1,192	\$2,457	\$1,918	\$539	22%
Hayward	1,844	\$2,241	\$1,688	\$554	25%
Newark	226	\$2,612	\$1,919	\$693	27%
Pleasanton	291	\$2,150	\$1,697	\$452	21%
San Leandro	1,313	\$2,247	\$1,702	\$544	24%
San Lorenzo	175	\$2,542	\$1,896	\$647	25%
Union City	704	\$2,499	\$1,893	\$606	24%

\*Some rents may vary by \$1 due to rounding

This report includes HACA vouchers and portability clients for which we are billing the initial housing authority.

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**AGENDA STATEMENT**

Meeting: February 9, 2022

Subject: Family Self-Sufficiency Program Summary

Exhibits Attached: None

Recommendation: Receive Report

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**FSS PROGRAM NEWS**

**At A Glance - 2021 FSS Program Outcomes**

The FSS team provided employment and social services information and referrals to approximately 235 households in 2021. Listed below are program outcomes for the year:

- 20 participants successfully graduated from the FSS program.
- \$241,229.03 in escrow account funds were disbursed to FSS graduates.
- 43 people enrolled into FSS and signed a Contract of Participation.
- 42 participants earned promotions at their job or secured a new job.
- 1 participant earned a Master of Arts degree.
- 3 participants earned a Bachelor of Arts degree.
- 4 participants earned an Associate of Arts degree.
- 1 participant obtained a License Vocational Nursing certification.
- 5 participants received a first-time homebuyer certification.
- 10 participants completed a job skills training program.
- 1 participant obtained a driver's license.
- 1 participant obtained a real estate License.
- 1 participant purchased a home and relinquished their Housing Choice Voucher.

**FSS PROGRAM SUMMARY**

<b>Program Summary</b>	<b>January 2022</b>
Total Clients Under Contract:	217
Graduates:	0
Escrow Disbursed:	\$0
Ports In:	0
Ports Out:	0
Terminations:	0
New Contracts:	12
Case Management Referrals:	8
Job Referrals:	62

# **ATTACHMENT A**



**PROPOSED AMENDMENTS**

**CONFLICT OF INTEREST CODE  
FOR THE  
HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA  
(“Housing Authority”)**

~~Revised: October 13, 2020 – Resolution No. 19-20~~

~~Revised: February 9, 2022 – Resolution No. 02-22~~

The Political Reform Act (Government Code §81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Section 18730), which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency’s Code. After public notice it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the **attached** Appendix “A” designating employees, establishing disclosure categories, and identifying officials and employees required to file disclosure statements pursuant to Gov. Code Section 87200, shall constitute the Conflict of Interest Code of the Housing Authority of the County of Alameda ~~(“Housing Authority”)~~ (“HACA”).

Designated employees and officers and employees filing statements pursuant to Gov. Code Section 87200 shall file their statements with the ~~Secretary to the Executive Director of the Housing Authority~~ Executive Assistant to the Executive Director of HACA who will retain said statements, or copies thereof, and make them available for public inspection and reproduction. (Gov. Code Section 81008). ~~Upon receipt of the statement(s) for all persons filing pursuant to Gov. Code § 87200, the Secretary shall maintain originals for all designated employees of the Housing Authority with the exception of those statements filed by the Housing Commissioners. The Secretary shall maintain copies of the Commissioners’ statements and forward the originals to the Clerk of the Alameda County Board of Supervisors.~~

**PROPOSED AMENDMENTS**

**Officials who Manage Public Investments:**

It has been determined that the positions listed below manage investments and will file a statement of economic interests pursuant to Government Code Section 87200:

Accountant

Executive Director

ADD: Deputy Executive Director

Finance Director

ADD: Financial Accounting Manager

UPDATE TITLE: ~~Commissioners~~ Housing Commissioner

**DISCLOSURE CATEGORIES**

**Disclosure Categories:**

Designated employees must disclose:

**I. Rental Property**

Any interest in real property within the County of Alameda used as or for residential rental.

**II. Other Real Property**

Any interest in real property which could be sold or used for residential development within the County of Alameda County

**III. Business Entities and Sources of Income That May Provide Goods and Services to HACA**

Investments and business positions in business entities and sources of income which are of the type which contract with HACA to supply goods, services, materials, supplies or leased space. Such entities may include, but are not limited to, construction contractors, architects and architectural firms, and business entities which provide legal, brokerage, financing, insurance, property management, investment services or materials and supplies.

**IV. Business Entities and Sources of Income That Engage in Land & Real Estate Development**

Investments and business positions in business entities and sources of income which engage in land development, construction, acquisition and/or sale of real property for development of residential rental housing.

**V. \*Consultants:**

Consultants shall be included in the list of designated employees and shall disclose economic interests pursuant to the broadest disclosure category in the Code subject to the following limitation:

The Executive Director may determine in writing that a particular consultant, although a "Designated Employee," has been employed to perform a range of duties which are limited in scope, and thus shall not be required fully to comply with disclosure requirements described in this Appendix. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director's determination shall be a public record, and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

**PROPOSED AMENDMENTS**

**APPENDIX "A"  
CONFLICT OF INTEREST CODE FOR THE  
HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

<b>Proposed Amendments</b>	<b>Designated Employees</b>	<b>Disclosure Categories</b>
DELETE	<del>Administrative Analyst</del>	ALL
ADD	Administrative Analyst I/II	ALL
	*Consultants	ALL
DELETE	<del>Deputy Director for Operations</del>	ALL
DELETE	<del>Deputy Director for Programs</del>	ALL
ADD	Deputy Executive Director	ALL
	Eligibility Services Leadworker	I, III
	Executive Assistant	ALL
	Family Self-Sufficiency Leadworker	I, III
	Housing Inspector	I, III
DELETE	<del>Housing Management Assistant</del>	<del>I, III</del>
DELETE	<del>Housing Management Leadworker</del>	ALL
	Housing Specialist	I, III
UPDATE TITLE	<del>Human Resources Analyst</del> Human Resources Manager	ALL
	Information Technology Manager	ALL
	Leasing Services Leadworker	I, III
UPDATE TITLE	<del>Maintenance and Modernization Manager</del> Facilities Manager	ALL
DELETE	<del>Network Administrator</del>	<del>I, III</del>
UPDATE TITLE	<del>Procurement Analyst</del> Procurement Manager	ALL
UPDATE TITLE	<del>Programs Manager</del> Housing Programs Manager	ALL
ADD	Property Management Administrator	ALL
ADD	Property Management Administrator	I, II
	Special Programs Manager	ALL
UPDATE TITLE	<del>Sr. Administrative Analyst</del> Senior Administrative Analyst	ALL



Housing Authority of the  
County of Alameda

22941 Atherton Street, Hayward, CA 94541

Tel. 510.538.8876 TDD 510.727.8551 Fax 510.537.8236 www.haca.net

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**CONFLICT OF INTEREST CODE  
FOR THE  
HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

Revised: February 9, 2022 – Resolution No. 02-22

The Political Reform Act (Government Code §81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Section 18730), which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's Code. After public notice it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the **attached** Appendix "A" designating employees, establishing disclosure categories, and identifying officials and employees required to file disclosure statements pursuant to Gov. Code Section 87200, shall constitute the Conflict of Interest Code of the Housing Authority of the County of Alameda ("HACA")

Designated employees and officers and employees filing statements pursuant to Gov. Code Section 87200 shall file their statements with the Executive Assistant to the Executive Director of HACA who will retain said statements, or copies thereof, and make them available for public inspection and reproduction. (Gov. Code Section 81008).

**Officials who Manage Public Investments:**

It has been determined that the positions listed below manage investments and will file a statement of economic interests pursuant to Government Code Section 87200:

Accountant  
Executive Director  
Deputy Executive Director  
Finance Director  
Financial Accounting Manager  
Housing Commissioner

**Disclosure Categories**

Designated employees must disclose:

- I. **Rental Property**  
Any interest in real property within the County of Alameda used as or for residential rental.
- II. **Other Real Property**  
Any interest in real property which could be sold or used for residential development within the County of Alameda County
- III. **Business Entities and Sources of Income That May Provide Goods and Services to HACA**  
Investments and business positions in business entities and sources of income which are of the type which contract with HACA to supply goods, services, materials, supplies or leased space. Such entities may include, but are not limited to, construction contractors, architects and architectural firms, and business entities which provide legal, brokerage, financing, insurance, property management, investment services or materials and supplies.
- IV. **Business Entities and Sources of Income That Engage in Land & Real Estate Development**  
Investments and business positions in business entities and sources of income which engage in land development, construction, acquisition and/or sale of real property for development of residential rental housing.
- V. **\*Consultants:**  
Consultants shall be included in the list of designated employees and shall disclose economic interests pursuant to the broadest disclosure category in the Code subject to the following limitation:

The Executive Director may determine in writing that a particular consultant, although a "Designated Employee," has been employed to perform a range of duties which are limited in scope, and thus shall not be required fully to comply with disclosure requirements described in this Appendix. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director's determination shall be a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

**APPENDIX "A"**  
**CONFLICT OF INTEREST CODE FOR THE**  
**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

<b>Designated Employees</b>	<b>Disclosure Categories</b>
Administrative Analyst I/II	ALL
*Consultants	ALL
Deputy Executive Director	ALL
Eligibility Services Leadworker	I, III
Executive Assistant	ALL
Family Self-Sufficiency Leadworker	I, III
Housing Inspector	I, III
Housing Specialist	I, III
Human Resources Manager	ALL
Information Technology Manager	ALL
Leasing Services Leadworker	I, III
Facilities Manager	ALL
Procurement Manager	ALL
Housing Programs Manager	ALL
Property Management Administrator	ALL
Property Management Assistant	I, II
Special Programs Manager	ALL
Senior Administrative Analyst	ALL

# **ATTACHMENT B**

## Mandatory vs. Discretionary Policy

HUD makes a distinction between:

- Mandatory policies: those driven by legislation, regulations, current handbooks, notices and legal opinions, and
- Optional, non-binding guidance: including guidebooks, notices that have expired and recommendations from individual HUD staff.

HUD expects PHAs to adopt local policies and procedures that are consistent with mandatory policies in areas where HUD gives the PHA discretion. The PHA's HACA's Administrative Plan is the foundation of those policies and procedures. HUD's directions require PHAs to make policy choices that provide sufficient guidance to staff and ensure consistency to program applicants and participants.

Creating policies based upon HUD guidance is not mandatory, but provides a PHA with a "safe harbor." HUD has already determined that the recommendations and suggestions it makes are consistent with mandatory policies. If a PHA adopts an alternative strategy, it must make its own determination that the alternative approach is consistent with legislation, regulations, and other mandatory requirements.

### 1-III.C. ORGANIZATION OF THE PLAN

The Plan is organized to provide information to users in particular areas of operation.

### 1-III.D. UPDATING AND REVISING THE PLAN

The PHA's HACA will revise this Administrative Plan as needed to comply with changes in HUD regulations. The original plan and any changes must be consistent with the PHA's HACA Agency Plan, approved by the PHA's HACA Housing Commission, and a copy provided to HUD.

#### HACA Policy

HACA will review and update its Admin Plan ~~as at least once a year, and more often if needed;~~ to reflect changes in regulations ~~or~~; HACA operations, ~~or when needed to ensure staff consistency in operation.~~



## PART I: NONDISCRIMINATION

### 2-I.A. OVERVIEW

Federal laws require PHAs to treat all applicants and participants equally, providing the same opportunity to access services, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. ~~The California Fair Employment and Housing Act prohibits discrimination in housing on these same bases, as well as gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, and genetic information.~~ In addition, HUD regulations provide for additional protections regarding sexual orientation, gender identity, and marital status. A PHA will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- ~~California's Fair Employment and Housing Act, Gov't Code Sec. 12900 et seq.~~
- ~~California's Unruh Civil Rights Act, California Civil Code Sec. 51~~
- ~~California's Disabled Persons Act, California Civil Code Sec 54.~~
- The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012 and further clarified in Notice PIH 2014-20
- Violence Against Women Reauthorization Act of 2013 (VAWA)

When more than one civil rights law applies to a situation, the laws will be read and applied together.

Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted will also apply.

#### HACA Policy

The following State ordinances also apply:

- California's Fair Employment and Housing Act, Gov't Code Sec. 12900 et seq.
- California's Unruh Civil Rights Act, California Civil Code Sec. 51
- California's Disabled Persons Act, California Civil Code Sec 54.

In addition, the California Fair Employment and Housing Act prohibits discrimination in housing on these same bases, as well as gender, gender identity, gender expression, sexual orientation, marital status, medical condition, ancestry, source of income, veteran or military status and genetic information.

**3-I.F. DEPENDENT [24 CFR 5.603]**

A *dependent* is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: the head of household, spouse, co-head, foster children/adults and live-in aides. Identifying each dependent in the family is important because each dependent qualifies the family for a dependent allowance as described in Chapter 6.

**Joint Custody of Dependents**HACA Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family at least 50% of the time. ~~183 or more days per year, not necessarily consecutively (51%).~~

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

**3-I.G. FULL-TIME STUDENT [24 CFR 5.603; HCV GB, p. 5-29]**

A *full-time student* (FTS) is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to be full-time is defined by the educational institution.

Identifying each FTS is important because: (1) each family member that is an FTS, other than the head, spouse, or co-head, qualifies the family for a dependent allowance, and (2) the earned income of such an FTS is treated differently from the income of other family members.

**3-I.H. ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY [24 CFR 5.100 and 5.403, FR Notice 02/03/12]****Elderly Persons**

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

**Near-Elderly Persons**

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

**Elderly Family**

An *elderly family* is one in which the head, spouse, co-head, or sole member is an elderly person. Identifying elderly families is important because elderly families qualify for the elderly family allowance as described in Chapter 6.

### 3-I.M. LIVE-IN AIDE

A *live-in aide* is a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who: (1) is determined to be essential to the care and well-being of the persons, (2) is not obligated for the support of the persons, and (3) would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403]. This definition applies to a specific person [PIH 2008-20].

The PHA must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR 8, to make the program accessible to and usable by the family member with disabilities.

The PHA may not approve an unidentified live-in aide, nor a larger unit than the family qualifies for under the PHA's subsidy standards for an unidentified live-in aide.

Occasional, intermittent, multiple or rotating care givers do not meet the definition of a live-in aide since 24 CFR Section 982.402(b)(7) implies live-in aides must reside with a family permanently for the family unit size to be adjusted in accordance with the subsidy standards established by the PHA. Therefore, an additional bedroom should not be approved.

Regardless, a family may always request a reasonable accommodation to permit program participation by individuals with disabilities. A family's composition or circumstances may warrant the provision of an additional bedroom to permit disability-related overnight care and allow the family equal use and enjoyment of the unit. Such limited exceptions to the established subsidy standards are permitted under 24 CFR Section 982.402(b)(8).

The PHA must consider requests for an exception to the established subsidy standards on a case-by-case basis and provide an exception, where necessary, as a reasonable accommodation. The PHA shall document the justification for all granted exceptions.

HACA must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR 8, to make the program accessible to and usable by the family member with disabilities.

The income of a live-in aide is not counted in the calculation of annual income for the family [24 CFR 5.609(b)]. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. Because live-in aides are not *family* members, a relative who serves as a live-in aide would not be considered a remaining member of a tenant family.

#### HACA Policy

The live-in aide, and any family members of the live-in aide, must be identified by the family and approved by HACA. [The total number of persons in the household must meet the space requirements under the housing quality standards](#)

A family's request for a live-in aide must be made in accordance with HACA's Request for Reasonable Accommodation policies (2.II.C). Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member. ~~For continued approval, the family must submit a new request subject to HACA verification every two years.~~

### 3-III.B. REQUIRED DENIAL OF ASSISTANCE [24 CFR 982.553(a)]

HUD requires PHAs to deny assistance in the following cases:

- Any member of the household has been evicted from federally-assisted housing in the last [three](#) years for drug-related criminal activity.

HUD permits, but does not require, PHAs to admit an otherwise-eligible family if the household member has completed a PHA-approved drug rehabilitation program or the circumstances which led to eviction no longer exist (e.g., the person involved in the criminal activity no longer lives in the household).

#### HACA Policy

HACA will not admit an otherwise-eligible family who was evicted from federally-assisted housing within the past [three](#) years for drug-related criminal activity. However, HACA may admit the household if HACA determines:

- That the evicted household member who engaged in the criminal activity has successfully completed a supervised drug rehabilitation program approved by HACA; or
- That the circumstances leading to eviction no longer exist (for example, the criminal household member has died or is imprisoned).
- The PHA determines that any household member is currently engaged in the use of illegal drugs.

#### HACA Policy

*Currently engaged in* is defined as any use of illegal drugs during the previous six months.

- The PHA has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

#### HACA Policy

In determining reasonable cause, HACA will consider all credible evidence, including but not limited to, any record of convictions, arrests, or evictions of household members related to the use of illegal drugs or the abuse of alcohol. A conviction will be given more weight than an arrest. [A record or records of arrest will not be used as the sole basis of determining reasonable cause.](#) HACA will also consider evidence from treatment providers or community-based organizations providing services to household members.

- Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
- Any household member is subject to a lifetime registration requirement under a state sex offender registration program.

- The applicant does not meet the applicable SSN disclosure, documentation, and verification requirements as specified in 24 CFR 5.216 outlined in Chapter 7II-B.

### 3-III.C. OTHER PERMITTED REASONS FOR DENIAL OF ASSISTANCE

HUD permits, but does not require, PHAs to deny assistance for the reasons discussed in this section.

#### **Criminal Activity [24 CFR 982.553]**

HUD permits, but does not require, PHAs to deny assistance if the PHA determines that any household member is currently engaged in, or has engaged in during a reasonable time before the family would receive assistance, certain types of criminal activity.

##### HACA Policy

If any household member is currently engaged in, or has engaged in any of the following criminal activities, within the past ~~three~~<sup>five</sup> years, the family will be denied assistance.

*Drug-related criminal activity*, defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug [24 CFR 5.100].

*Violent criminal activity*, defined by HUD as 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 [24 CFR 5.100].

Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; or

Criminal activity that may threaten the health or safety of property owners management staff, and persons performing contract administration functions or other responsibilities on behalf of HACA (including a HACA employee or a HACA contractor, subcontractor, or agent).

Evidence of such criminal activity includes, but is not limited to:

Any conviction not expunged for drug-related or violent criminal activity within the past ~~three~~<sup>5</sup> years.

Records of arrests for drug-related or violent criminal activity within the past ~~three~~<sup>5</sup> years, although a record or records of arrest(s) will not be used as the sole basis for the denial or proof that the applicant engaged in disqualifying criminal activity.

~~Any record of eviction from public or privately-owned housing as a result of criminal activity within the past 5 years.~~

A conviction for drug-related or violent criminal activity will be given more weight than an arrest for such activity.

In making its decision to deny assistance, HACA will consider the factors discussed in Section 3-III.E. Upon consideration of such factors, HACA may, on a case-by-case basis, decide not to deny assistance.

### Previous Behavior in Assisted Housing [24 CFR 982.552(c)]

HUD authorizes HACA to deny assistance based on the family's previous behavior in assisted housing.

Per the alternative requirements listed in the *Federal Register* notice dated December 29, 2014, PHAs are no longer permitted to deny assistance to a family because the family previously failed to meet its obligations under the Family Self-Sufficiency (FSS) program [FR Notice 12/29/14].

#### HACA Policy

HACA **will** deny assistance to an applicant family if:

The family does not provide information that HACA or HUD determines is necessary in the administration of the program.

The family does not provide complete and true information to HACA.

Any family member has been evicted from federally-assisted housing in the last [threefive](#) years.

Any PHA has ever terminated assistance under the program for any member of the family.

Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.

The family owes rent or other amounts to any PHA in connection with Section 8 or other public housing assistance under the 1937 Act,, unless the family repays the full amount of the debt prior to being assisted.

If the family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease, unless the family repays the full amount of the debt prior to being assisted.

The family has breached the terms of a repayment agreement entered into with HACA, unless the family repays the full amount of the debt covered in the repayment agreement prior to being assisted.

A family member has engaged in or threatened violent or abusive behavior toward HACA personnel.

*Abusive or violent behavior towards HACA personnel* includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

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

In making its decision to deny assistance, HACA will consider the factors discussed in Section 3-III.E. Upon consideration of such factors, HACA may, on a case-by-case basis, decide not to deny assistance.



- Unless a live-in-aide resides with a family, the family unit size for any family consisting of a single person must be either a zero- or one-bedroom unit, as determined under HACA subsidy standards.

HACA Policy

HACA will allocate one bedroom for each two persons in the household, except that HACA will allocate a single bedroom to each:

- Household of one;
- Head of household and any spouse/significant other/boyfriend or girlfriend; and
- Live-in aide
- No additional bedrooms will be allocated for any family members of the live-in aide.
- The total number of persons in the household must meet the space requirements under the housing quality standards.

~~As set forth in the table below, HACA will allocate one bedroom for each two persons in the household, except that HACA will allocate a single bedroom to each:~~

~~A single person family;  
The head of household and any spouse/significant other/boyfriend or girlfriend; and  
A live-in aide and up to one additional family member of the live-in aide, both of which must be identified by the family and approved by HACA as set forth in Section 3 I.M.~~

~~**Voucher Size Persons in Household**~~

	<del>(Minimum Maximum)</del>
<del>1 Bedroom</del>	<del>1-2</del>
<del>2 Bedrooms</del>	<del>2-4</del>
<del>3 Bedrooms</del>	<del>3-6</del>
<del>4 Bedrooms</del>	<del>4-8</del>
<del>5 Bedrooms</del>	<del>6-10</del>

For Project-Based Voucher projects of one to four units targeted to families with children, HACA, at its sole discretion, will allow a maximum subsidy standard of two persons per bedroom or sleeping room (includes living room).

## 5-II.D. VOUCHER ISSUANCE [24 CFR 982.302]

When a family is selected from the waiting list (or as a special admission as described in Chapter 4), or when a participant family wants to move to another unit, HACA issues a Housing Choice Voucher, form HUD-52646. This chapter deals only with voucher issuance for applicants. For voucher issuance associated with moves of program participants, please refer to Chapter 10.

The voucher is the family's authorization to search for housing. It specifies the unit size for which the family qualifies, and includes both the date of voucher issuance and date of expiration. It contains a brief description of how the program works and explains the family obligations under the program. The voucher is evidence that HACA has determined the family to be eligible for the program, and that HACA expects to have money available to subsidize the family if the family finds an approvable unit. However, HACA does not have any liability to any party by the issuance of the voucher, and the voucher does not give the family any right to participate in HACA's housing choice voucher program [Voucher, form HUD-52646]

A voucher can be issued to an applicant family only after HACA has determined that the family is eligible for the program based on verification of information received within the 60 days prior to issuance [24 CFR 982.201(e)] and after the family has attended an oral briefing [HCV 8-1].

### HACA Policy

Vouchers will be issued to eligible applicants immediately following the mandatory briefing. [Participant families will be issued a voucher upon PHA receipt of proper notice of intent to move. Proper notice means the notice is accompanied by a copy of the notice given to the owner and states the last day of tenancy.](#)

HACA should have sufficient funds to house an applicant before issuing a voucher. If funds are insufficient to house the family at the top of the waiting list, HACA must wait until it has adequate funds before it calls another family from the list [HCV GB p. 8-10].

### HACA Policy

Prior to issuing any vouchers, HACA will determine whether it has sufficient funding in accordance with the policies in Part VIII of Chapter 16.

If HACA determines that there is insufficient funding after a voucher has been issued, HACA may rescind the voucher and place the affected family back on the waiting list as set forth in Chapter 12-I.E.

## 5-II.E. VOUCHER TERM, EXTENSIONS, AND SUSPENSIONS

### Voucher Term [24 CFR 982.303]

The initial term of a voucher must be at least 60 calendar days. The initial term must be stated on the voucher [24 CFR 982.303(a)].

#### HACA Policy

~~The initial voucher term will be 180 calendar days. Applicant families will be issued a voucher with a voucher term of 180 calendar days. For participant families, the PHA will issue a voucher with an effective date of the date issued, and an expiration date 180 days after the scheduled move-out date.~~

~~At the sole discretion of the Executive Director, or their designee, in response to a global, national, state, or local emergency, crisis, or disaster. At the sole discretion of the Executive Director, or their designee, in response to a national, state, or locally declared health emergency, financial crisis, recession, depression, disaster, or other national, state, or local emergency, HACA may provide an increase the initial voucher term for extension of a period deemed reasonable by the Executive Director, or their designee, to be applied up front to the initial voucher term.~~

~~The family must submit a Request for Tenancy Approval and proposed lease within the voucher term unless HACA grants an extension. The family must submit a Request for Tenancy Approval and proposed lease within the 180-day period unless HACA grants an extension.~~

### Extensions of Voucher Term [24 CFR 982.303(b), Notice 2012-42]

The PHA has the authority to grant extensions of search time, to specify the length of an extension, and to determine the circumstances under which extensions will be granted. There is no limit on the number of extensions that the PHA can approve. Discretionary policies related to extension and expiration of search time must be described in the PHA's administrative plan [24 CFR 982.54].

PHAs must approve additional search time if needed as a reasonable accommodation to make the program accessible to and usable by a person with disabilities. The extension period must be reasonable for the purpose.

The family must be notified in writing of the PHA's decision to approve or deny an extension. The PHA's decision to deny a request for an extension of the voucher term is not subject to informal review [24 CFR 982.554(c)(4)].

#### HACA Policy

HACA will approve a voucher extension for a period reasonable for the purpose only in the following circumstances:

As a reasonable accommodation for a person with disabilities.

When warranted by reasons beyond the family's control, as determined by HACA, such as

- Serious illness or death of an immediate family member (as defined in the Glossary); or
- Incapacitation of the head of household (due to an accident or illness requiring hospitalization or restricting mobility);

VASH Vouchers: Upon written request from the Veterans Administration when it finds that a family's search for a unit is being hindered by a lack of availability of units or special challenges of the family.

Any request for an extension must be made in writing before the family's voucher expires and include the reason(s) an extension is necessary. HACA may require the family to provide documentation to support the request or obtain verification from a qualified third party. ~~At the sole discretion of the Executive Director, or their designee, in response to a national, state, or locally declared health emergency, financial crisis, recession, depression, disaster, or other national, state, or local emergency, HACA may provide a blanket waiver of the policies in this paragraph by automatically granting an extension of a period deemed reasonable by the Executive Director, or their designee, to be applied equally to all voucher holders with a valid voucher.~~

HACA will provide the family written notice of its decision on an extension request within 10 business days of the date the request is received.

~~At the sole discretion of the Executive Director, or their designee, in response to a global, national, state, or local emergency, crisis, or disaster~~At the sole discretion of the Executive Director, or their designee, in response to a national, state, or locally declared health emergency, financial crisis, recession, depression, disaster, or other national, state, or local emergency, HACA may provide an extension of a period deemed reasonable by the Executive Director, or their designee, to be applied to the voucher term.

### **Suspensions of Voucher Term [24 CFR 982.303(c)]**

The PHA must provide for suspension of the initial or any extended term of the voucher from the date the family submits a request for PHA approval of the tenancy until the date the PHA notifies the family in writing whether the request has been approved or denied.

### **Expiration of Voucher Term**

Once a family's housing choice voucher term (including any extensions) expires, the family is no longer eligible to search for housing under the program. ~~and its program participation ends. If the family still wishes to receive assistance, the PHA may require that the family reapply, or may place the family on the waiting list with a new application date but without requiring reapplication. Such a family does not become ineligible for the program on the grounds that it was unable to locate a unit before the voucher expired [HCV GB p. 8-13].~~

#### HACA Policy

If an applicant family's voucher term or extension expires before the HACA has approved a tenancy, HACA will require the family to reapply for assistance.

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

Children temporarily absent from the home as a result of placement in foster care are considered members of the family [24 CFR 5.403].

HACA Policy

If a child has been placed in foster care, HACA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been removed from the home, the child will be counted as a family member unless s/he is receiving other Federal rental subsidy.

***Absent Head, Spouse, or Cohead***HACA Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member unless s/he is receiving other federal rental subsidy.

**Family Members Permanently Confined for Medical Reasons**

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted [HCV GB, p. 5-22].

HACA Policy

HACA will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

When an individual who has been counted as a family member is determined permanently absent, the family is eligible for the medical expense deduction only if the remaining head, spouse, or cohead qualifies as an elderly person or a person with disabilities.

**Joint Custody of Dependents**HACA Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family at least ~~50%183 days~~ ~~(51-50.1 percent)~~ or more of the time.

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

## 6-I.C. ANTICIPATING ANNUAL INCOME

The PHA is required to count all income “anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date” [24 CFR 5.609(a)(2)]. Policies related to anticipating annual income are provided below.

### Basis of Annual Income Projection

The PHA generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes the PHA to use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected [HCV GB, p. 5-17]
- It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income) [24 CFR 5.609(d)]
- The PHA believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]

PHAs are required to use HUD’s Enterprise Income Verification (EIV) system in its entirety as a third party source to verify employment and income information, and to reduce administrative subsidy payment errors in accordance with HUD administrative guidance [24 CFR 5.233(a)(2)].

HUD allows PHAs to use tenant-provided documents (pay stubs) to project income once EIV data has been received in such cases where the family does not dispute the EIV employer data and where the PHA does not determine it is necessary to obtain additional third-party data.

### HACA Policy

When EIV is obtained and the family does not dispute the EIV employer data, the PHA will use current tenant-provided documents to project annual income. When the tenant-provided documents are pay stubs, HACA will make every effort to obtain current and consecutive pay stubs dated within the last 60 days.

HACA will obtain written and/or oral third-party verification in accordance with the verification requirements and policy in Chapter 7 in the following cases:

If EIV or other UIV data is not available,

If the family disputes the accuracy of the EIV employer data, and/or

If HACA determines additional information is needed.

In such cases, HACA will review and analyze current data to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how HACA annualized projected income.

When HACA cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), HACA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.

Any time current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to HACA to show why the historic pattern does not represent the family's anticipated income.

### **Known Changes in Income**

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

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

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases HACA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if HACA's policy on reexaminations does not require interim reexaminations for other types of changes.

When tenant-provided third-party documents are used to anticipate annual income, they will be dated within the last 60 days of the reexamination interview date.

## ~~6-I.C. DETERMINING ANNUAL INCOME~~

~~PHAs are required to count all annual income set forth in 24 CFR 5.609. Policies related to using past income and anticipating annual income are provided below.~~

### ~~Basis for Determining Annual Income~~

~~In determining annual income, PHAs may choose to use either actual past income or projected future income [Notice PIH 2013-3 (HA)]. If the PHA uses projected future income to determine annual income, the PHA, generally, will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes PHAs to use other than current circumstances to anticipate income when:~~

~~An imminent change in circumstances is expected [HCV GB, p. 5-17]~~

~~The family reports little to no income [24 CFR 5.609(a)(2)(ii)(A)]~~

~~The PHA is unable to determine annual income due to fluctuations in income (e.g., seasonal or cyclic income) [24 CFR 5.609(a)(2)(ii)(B)]~~

~~PHAs are required to use HUD's Enterprise Income Verification (EIV) system in its entirety as a third party source to verify employment and income information, and to reduce administrative subsidy payment errors in accordance with HUD administrative guidance [24 CFR 5.233(a)(2)].~~

~~In using projected future income, HUD allows PHAs to use tenant-provided documents (pay stubs) to project income once EIV data has been received in such cases where the family does not dispute the EIV employer data and where the PHA does not determine it is necessary to obtain additional third-party data.~~

~~In using actual past income, PHAs determine annual income based on past actual income received or earned within the last 12 months.~~

~~In using actual past income, PHAs must use the most recent 12 months of income information available in EIV. Because this EIV report will give actual earnings data verified by a third party, the program participant is no longer required to provide third party documentation (e.g., paystubs, payroll summary report, unemployment monetary benefit notice). PHAs must continue to verify income from sources not available in EIV. However, PHAs must use the same time period for both wage and non-wage income.~~

~~In using actual past income, if there has been a change in circumstances for a tenant, or a tenant disputes the EIV reported income information and is unable to provide acceptable documentation to resolve the dispute, the PHA must request written third party verification.~~

#### HACA Policy

~~In determining annual income, HACA will use actual past income.~~

~~If there is no income information available in EIV, HACA will determine annual income based on past actual income received or earned within the last 12 months.~~

~~In using projected future income, when EIV data are obtained and the family does not dispute the EIV employer data, HACA will use current tenant-provided documents to project annual income. When the tenant-provided documents are pay stubs, HACA will make every effort to obtain current and consecutive pay stubs dated within the last 60 days.~~

~~HACA will obtain written and/or oral third party verification in accordance with the verification requirements and policy in Chapter 7 in the following cases:~~

~~If EIV or other UIV data is not available,~~

~~If the family disputes the accuracy of the EIV employer data, and/or~~

~~If the PHA determines additional information is needed.~~

~~In such cases, HACA will review and analyze current data to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how HACA annualized projected income.~~

~~When HACA cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), HACA may average past actual income received or earned within the last 12 months before the determination date to calculate annual income. HACA may also request the family to provide documentation of~~



~~current income. If the family can provide acceptable documentation dated either within the 60-day period preceding the determination date or the 60-day period following the request date, HACA may use this documentation to calculate annual income.~~

~~Anytime current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to HACA to show why the historic pattern does not represent the family's anticipated income.~~

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

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

~~**Example:** An employer reports that a full-time employee who has been receiving \$6/hour will begin to receive \$6.25/hour in the eighth week after the effective date of the reexamination. In such a case HACA would calculate annual income as follows:  $(\$6/\text{hour} \times 40 \text{ hours} \times 7 \text{ weeks}) + (\$6.25 \times 40 \text{ hours} \times 45 \text{ weeks})$ .~~

~~The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases HACA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if HACA's policy in Chapter 11 does not require interim reexaminations for other types of changes.~~

~~When tenant provided third party documents are used to anticipate annual income, they will be dated within the last 60 days of the reexamination interview date.~~

~~EIV quarterly wages will not be used to project annual income at an annual or interim reexamination.~~

### **Projecting Income**

In HUD's EIV webcast of January 2008, HUD made clear that PHAs are not to use EIV quarterly wages to project annual income.

## Calculation of the Disallowance

Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member's current income with his or her "baseline income." The family member's baseline income is his or her income immediately prior to qualifying for the EID. The family member's baseline income remains constant throughout the period that he or she is participating in the EID. ~~While qualification for the disallowance is the same for all families, calculation of the disallowance will differ depending on when the family member qualified for the EID. Participants qualifying prior to May 9, 2016, will have the disallowance calculated under the "Original Calculation Method" described below which requires a maximum lifetime disallowance period of up to 48 consecutive months. Participants qualifying on or after May 9, 2016, will be subject to the "Revised Calculation Method" which shortens the lifetime disallowance period to 24 consecutive months.~~

~~Under both the original and new methods, the EID eligibility criteria, the benefit amount, the single lifetime eligibility requirement and the ability of the applicable family member to stop and restart employment during the eligibility period are the same.~~

### Original Calculation Method

#### *Initial 12-Month Exclusion*

~~During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The 12 months are cumulative and need not be consecutive.~~

#### HACA Policy

~~The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.~~

#### *Second 12-Month Exclusion and Phase-In*

~~During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings. The 12 months are cumulative and need not be consecutive.~~

#### *Lifetime Limitation*

~~The EID has a four-year (48-month) lifetime maximum. The four-year eligibility period begins at the same time that the initial exclusion period begins and ends 48 months later. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between public housing and Section 8 assistance, or if there are breaks in assistance.~~

#### HACA Policy

~~During the 48-month eligibility period, HACA will schedule and conduct an interim reexamination each time there is a change in the family member's annual income that affects or is affected by the EID (e.g., when the family member's income falls to a level at or below his/her prequalifying income, when one of the exclusion periods ends, and at the end of the lifetime maximum eligibility period).~~

## 6-I.G. ASSETS [24 CFR 5.609(b)(3); 24 CFR 5.603(b) and PIH 2013-3]

### Overview

There is no asset limitation for participation in the HCV program. However, HUD requires that the PHA include in annual income the anticipated “interest, dividends, and other net income of any kind from real or personal property” [24 CFR 5.609(b)(3)]. This section discusses how the income from various types of assets is determined. For most types of assets, the PHA must determine the value of the asset in order to compute income from the asset. Therefore, for each asset type, this section discusses:

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

Exhibit 6-1 provides the regulatory requirements for calculating income from assets [24 CFR 5.609(b)(3)], and Exhibit 6-3(a) provides the regulatory definition of *net family assets*. This section begins with a discussion of general policies related to assets and then provides HUD rules and HACA policies related to each type of asset.

Optional policies for family self-certification of assets are found in Chapter 7.

### General Policies

#### *Income from Assets*

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

~~Families with assets are required to report all assets annually. The amount of interest earned on those assets is included as income used to calculate the tenant’s rent obligation. Where the family has net family assets equal to or less than \$5,000, the PHA will accept the family’s declaration of the amount of assets of less than \$5,000, and the amount of income expected to be received from those assets. Where the family has net family assets in excess \$5000, the PHA, generally, will use current circumstances to determine the anticipated income from the asset. As is true for all sources of income, HUD authorizes the PHA to use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected (2) it is not feasible to anticipate a level of income over 12 months or (3) the PHA believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income but the property is currently vacant, the PHA can take into consideration past rental income along with the prospects of obtaining a new tenant.~~

#### HACA Policy

~~Where the family has net family assets equal to or less than \$5,000, HACA will accept the family’s declaration of the amount of assets of less than \$5,000, and the amount of~~

~~income expected to be received from those assets. Where the family has net family assets in excess \$5,000, HACA, generally, will use current circumstances to determine the anticipated income from the asset. HACA will use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected (2) it is not feasible to anticipate a level of income over 12 months or (3) HACA believes that past income is the best indicator of anticipated income.~~

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

### ***Valuing Assets***

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

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

#### HACA Policy

~~Where the family has net family assets equal to or less than \$5,000, HACA will accept the family's declaration of the value of those assets. Where the family has net family assets in excess \$5,000, HACA, generally, will use current circumstances to determine the value of an asset. HACA will use other than current circumstances to anticipate value when (1) an imminent change in circumstances is expected, or (2) HACA believes that past value is the best indicator of current value.~~

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

Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions [HCV GB, p. 5-28].

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

Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings, insurance settlements, and proceeds from the sale of property, are generally considered assets, not income. However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an asset (e.g., deposited in a savings or checking account) [RHIIP FAQs]. (For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see sections 6-I.H and 6-I.I.)

#### ***Imputing Income from Assets [24 CFR 5.609(b)(3), Notice PIH 2012-29]***

~~When net family assets are \$5,000 or less, the PHA will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess~~

~~of \$5,000, the PHA will include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by an average passbook savings rate as determined by the PHA. The PHA must review its passbook rate annually to ensure that it remains within 0.75 percent of the national average. When net family assets are \$5,000 or less, the PHA will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess of \$5,000, the PHA will include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by an average passbook savings rate as determined by the PHA.~~

- Note: The HUD field office no longer provides an interest rate for imputed asset income. The “safe harbor” is now for the PHA to establish a passbook rate within 0.75 percent of a national average.
- The PHA must review its passbook rate annually to ensure that it remains within 0.75 percent of the national average.

### HACA Policy

HACA ~~will~~ initially set the imputed asset passbook rate at the national rate established by the Federal Deposit Insurance Corporation (FDIC).

HACA will review the passbook rate annually, ~~in December of each year~~. The rate will not be adjusted unless the current PHA rate is no longer within 0.75 percent of the national rate. If it is no longer within 0.75 percent of the national rate, the passbook rate will be set at the current national rate.

The effective date of cChanges to the passbook rate will ~~be determined at the time of review~~take effect on February 1 following the December review.

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

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

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

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

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

If a child care provider also renders other services to a family or child care is used to enable a family member to conduct activities that are not eligible for consideration, HACA will prorate the costs and allow only that portion of the expenses that is attributable to child care for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the child care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

### *Necessary and Reasonable Costs*

Child care expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and (2) the family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source.

#### HACA Policy

Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time. For child care that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

To establish the reasonableness of child care costs, HACA will use the schedule of child care costs from [a qualified local entity that either subsidizes child care costs or licenses child care providers the local welfare agency](#). Families may present, and HACA will consider, justification for costs that exceed typical costs in the area.

**Implementation of Hardship Exemption**

***Determination of Hardship***

When a family requests a financial hardship exemption, the PHA must suspend the minimum rent requirement beginning the first of the month following the family’s request.

The PHA then determines whether the financial hardship exists and whether the hardship is temporary or long-term.

HACA Policy

HACA defines temporary hardship as a hardship expected to last 90 days or less. Long-term hardship is defined as a hardship expected to last more than 90 days.

When the minimum rent is suspended, the family share reverts to the highest of the remaining components of the calculated TTP. The example below demonstrates the effect of the minimum rent exemption.

<b>Example: Impact of Minimum Rent Exemption</b>	
Assume HACA has established a minimum rent of <u>\$350</u> .	
<b>Family Share – No Hardship</b>	<b>Family Share – With Hardship</b>
\$0 30% of monthly adjusted income	\$0 30% of monthly adjusted income
\$15 10% of monthly gross income	\$15 10% of monthly gross income
N/A Welfare rent	N/A Welfare rent
<u>\$350</u> Minimum rent	<u>\$350</u> Minimum rent
Minimum rent applies. TTP = <u>\$350</u>	Hardship exemption granted. TTP = \$15

HACA Policy

To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family’s ability to pay the minimum rent.

HACA will make the determination of hardship within 30 calendar days.

### 6-III.C. APPLYING PAYMENT STANDARDS [24 CFR 982.505; 982.503(b)]

#### Overview

The PHA's schedule of payment standards is used to calculate housing assistance payments for HCV families. This section covers the application of the PHA's payment standards. The establishment and revision of the PHA's payment standard schedule are covered in Chapter 16.

*Payment standard* is defined as "the maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family)" [24 CFR 982.4(b)].

The payment standard for a family is the lower of (1) the payment standard for the family unit size, which is defined as the appropriate number of bedrooms for the family under the PHA's subsidy standards [24 CFR 982.4(b)], or (2) the payment standard for the size of the dwelling unit rented by the family.

If the PHA has established an exception payment standard for a designated part of a zip code area or FMR area and a family's unit is located in the exception area, the PHA must use the appropriate payment standard for the exception area.

The PHA is required to pay a monthly housing assistance payment (HAP) for a family that is the lower of (1) the payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP.

If during the term of the HAP contract for a family's unit, the owner lowers the rent, the PHA will recalculate the HAP using the lower of the initial payment standard or the gross rent for the unit [HCV GB, p. 7-8].

#### Changes in Payment Standards

When the PHA revises its payment standards during the term of the HAP contract for a family's unit, it will apply the new payment standards in accordance with HUD regulations.

#### *Decreases*

If a PHA changes its payment standard schedule, resulting in a lower payment standard amount, during the term of a HAP contract, the PHA is not required to reduce the payment standard used to calculate subsidy for families under HAP contract as long as the HAP contract remains in effect [FR Notice 11/16/16].

However, if the PHA does choose to reduce the payment standard for families currently under HAP contract, the initial reduction to the payment standard may not be applied any earlier than the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard amount. At that point, the PHA may either reduce the payment standard to the current amount in effect on the PHA's payment standard schedule, or may reduce the payment standard to another amount that is higher than the normally applicable amount on the schedule. The PHA may also establish different policies for designated areas within their jurisdiction (e.g., different zip code areas).



In any case, the PHA must provide the family with at least 12 months' notice that the payment standard is being reduced before the effective date of the change. The PHA's policy on decreases in the payment standard during the term of the HAP contract apply to all families under HAP contract at the time of the effective date of the decrease in the payment standard within the designated area.

#### HACA Policy

If HACA changes its payment standard schedule resulting in a lower payment standard amount, during the term of a HAP contract, HACA will not reduce the payment standard used to calculate subsidy for families under HAP contract as long as the HAP contract remains in effect.

HACA will not establish different policies for decreases in the payment standard for designated areas within their jurisdiction.

~~If the amount on the payment standard schedule is decreased during the term of the HAP contract, the lower payment standard generally will be used beginning at the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard. The PHA will determine the payment standard for the family as follows:~~

~~**Step 1:** At the first regular reexamination following the decrease in the payment standard, the PHA will determine the payment standard for the family using the lower of the payment standard for the family unit size or the size of the dwelling unit rented by the family.~~

~~**Step 2:** The PHA will compare the payment standard from step 1 to the payment standard last used to calculate the monthly housing assistance payment for the family. The payment standard used by the PHA at the first regular reexamination following the decrease in the payment standard will be the higher of these two payment standards. The PHA will advise the family that the application of the lower payment standard will be deferred until the second regular reexamination following the effective date of the decrease in the payment standard.~~

~~Step 3: At the second regular reexamination following the decrease in the payment standard, the lower payment standard will be used to calculate the monthly housing assistance payment for the family unless the PHA has subsequently increased the payment standard, in which case the payment standard will be determined in accordance with procedures for increases in payment standards described below.~~

### ***Increases***

If the payment standard is increased during the term of the HAP contract, the increased payment standard will be used to calculate the monthly housing assistance payment for the family beginning on the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard.

Families requiring or requesting interim reexaminations will not have their HAP payments calculated using the higher payment standard until their next annual reexamination [HCV GB, p. 7-8].

### ***Changes in Family Unit Size***

Irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard for the family beginning at the family's first regular reexamination following the change in family unit size.

### ***Reasonable Accommodation***

If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, the PHA is allowed to establish a higher payment standard for the family of not more than 120 percent of the published FMR.

## 7-I.B. OVERVIEW OF VERIFICATION REQUIREMENTS

### HUD's Verification Hierarchy [Notice PIH 2018-18]

HUD mandates the use of the EIV system and offers administrative guidance on the use of other methods to verify family information and specifies the circumstances in which each method will be used. In general HUD requires PHAs to use the most reliable form of verification that is available and to document the reasons when the PHA uses a lesser form of verification.

In order of priority, the forms of verification that HACA will use are:

Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system

Up-front Income Verification (UIV) using a non-HUD system

Written Third Party Verification (may be provided by applicant or participant)

Written Third-party Verification Form

Oral Third-party Verification

Self-Certification

Each of the verification methods is discussed in subsequent sections below.

### Requirements for Acceptable Documents

#### HACA Policy

~~Any documents used for verification generally must be dated within 60 days of the PHA request. Any documents used for verification must be the original (not photocopies) and generally must be dated either within the 60-day period preceding the reexamination or HACA's request date.~~ The documents must not be damaged, altered or in any way illegible.

~~Print-outs from Web pages are considered original documents.~~

~~HACA staff member who views the original document must make a photocopy, annotate the copy with the name of the person who provided the document and the date the original was viewed, and sign the copy.~~

Any family self-certifications must be made in a format acceptable to HACA.

### File Documentation

PHAs must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that the PHA has followed all of the verification policies set forth in this plan. The record should be

sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

HACA Policy

HACA will document, in the family file, the following:

- Reported family annual income
- Value of assets ~~of \$5,000 or more and a participant's declaration of the amount of assets of less than \$5,000~~
- Expenses related to deductions from annual income
- Other factors influencing adjusted income

When HACA is attempting to obtain and use 3rd party verification but is unable to do so, HACA will document in the family file the reason that third-party verification was not available [24 CFR 982.516(a)(2); Notice PIH 2018-18]

The EIV system verifies tenant identities against SSA records. These records are compared to PIC data for a match on social security number, name, and date of birth.

PHAs are required to use EIV's *Identity Verification Report* on a monthly basis to improve the availability of income information in EIV [Notice PIH 2018-18].

When identity verification for a participant fails, a message is displayed within the EIV system and no income information is displayed.

#### HACA Policy

HACA will identify participants whose identity verification has failed by reviewing EIV's *Identity Verification Report* on a monthly basis.

HACA will attempt to resolve PIC/SSA discrepancies by obtaining appropriate documentation from the participant. When HACA determines that discrepancies exist due to HACA errors such as spelling errors or incorrect birth dates, the errors will be corrected promptly.

### **Upfront Income Verification Using Other Than HUD's Enterprise Income Verification (EIV) System (Optional)**

In addition to mandatory use of the EIV system, HUD encourages PHAs to utilize other upfront verification sources.

#### HACA Policy

HACA will inform all applicants and participants of its use of the following UIV resources during the admission and reexamination process:

HUD's EIV system

CalWIN (California Work Opportunity and Responsibility to Kids Information Network)

The Work Number

The California Employment Development Department (EDD) computer matching system

~~Published cost of living adjustments for elderly families and disabled families when 100 percent of the family's income consists of fixed income. Fixed income includes income from:~~

- ~~1. Social Security payments to include Supplemental Security Income (SSI) and Supplemental Security Disability Insurance (SSDI);~~
- ~~2. Federal, State, local, and private pension plans; and~~

3. ~~Other periodic payments received from annuities, insurance policies, retirement funds, disability or death benefits, and other similar types of periodic receipts that are of substantially the same amounts from year to year.~~

## 7-I.D. THIRD-PARTY WRITTEN AND ORAL VERIFICATION

HUD's current verification hierarchy defines two types of written third-party verification. The more preferable form, "written third-party verification," consists of an original document generated by a third-party source, which may be received directly from a third-party source or provided to the PHA by the family. If written third-party verification is not available, the PHA must attempt to obtain a "written third-party verification form." This is a standardized form used to collect information from a third party.

### Written Third-Party Verification [Notice PIH 2018-18]

Written third-party verification documents must be original and authentic and may be supplied by the family or received from a third-party source.

Examples of acceptable tenant-provided documents include, but are not limited to: pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices.

The PHA is required to obtain, at minimum, two current and consecutive pay stubs for determining annual income from wages.

The PHA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible.

#### HACA Policy

Third-party documents provided by the family must be dated within 60 days of HACA's request date.

If HACA determines that third-party documents provided by the family are not acceptable, HACA will explain the reason to the family and request additional documentation.

As verification of earned income, HACA will require the family to provide the ~~two~~ most current, consecutive pay stubs to cover at least 4 weeks of pay. At HACA's discretion, if additional paystubs are needed due to the family's circumstances (e.g., sporadic income, fluctuating schedule, etc.), HACA may request additional paystubs or a payroll record.

### Written Third-Party Verification Form

When upfront verification is not available and the family is unable to provide written third-party documents, the PHA must request a written third-party verification form. HUD's position is that this traditional third-party verification method presents administrative burdens and risks which may be reduced through the use of family-provided third-party documents.

PHAs may mail, fax, or e-mail third-party written verification form requests to third-party sources.

#### HACA Policy

HACA will send third-party verification forms directly to the third party.

Third-party verification forms will be sent when third-party verification documents are unavailable or are rejected by HACA.

#### **Oral Third-Party Verification [Notice PIH 2018-18]**

For third-party oral verification, PHAs contact sources, identified by UIV techniques or by the family, by telephone or in person.

Oral third-party verification is mandatory if neither form of written third-party verification is available.

Third-party oral verification may be used when requests for written third-party verification forms have not been returned within a reasonable time—e.g., 10 business days.

PHAs should document in the file the date and time of the telephone call or visit, the name of the person contacted, the telephone number, as well as the information confirmed.

#### HACA Policy

In collecting third-party oral verification, HACA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

When any source responds verbally to the initial written request for verification HACA will accept the verbal response as oral verification but will also request that the source complete and return any verification forms that were provided.

#### **When Third-Party Verification is Not Required [Notice PIH 2018-18]**

Third-party verification may not be available in all situations. HUD has acknowledged that it may not be cost-effective or reasonable to obtain third-party verification of income, assets, or expenses when these items would have a minimal impact on the family's total tenant payment.

#### HACA Policy

If the family cannot provide original documents, HACA will pay the service charge required to obtain third-party verification, unless it is not cost effective in which case a



self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.

The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].

### ***Primary Documents***

Third-party verification is not required when data from HUD's EIV System, or legal documents, such as a birth certificate or other legal documentation of birth, are the primary source.

### ***Imputed Assets***

HUD permits HACA to accept a self-certification from a family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

### HACA Policy

HACA will accept a self-certification from a family as verification of assets disposed of for less than fair market value.

### ***Value of Assets and Asset Income [24 CFR 982.516(a)]***

For families with net assets totaling \$5,000 or less, the PHA may accept the family's declaration of asset value and anticipated asset income. However, the PHA is required to obtain third-party verification of all assets regardless of the amount during the intake process and at least every three years thereafter.

### PHA Policy

HACA will obtain third-party verification of all assets regardless of the amount.

~~For families with net assets totaling \$5,000 or less, the PHA will accept the family's self-certification of the value of family assets and anticipated asset income when applicable. The family's declaration must show each asset and the amount of income expected from that asset. All family members 18 years of age and older must sign the family's declaration.~~

~~The PHA will use third party documentation for assets as part of the intake process, whenever a family member is added to verify the individual's assets, and every three years thereafter.~~

**PART II: VERIFYING FAMILY INFORMATION**

**7-II.A. VERIFICATION OF LEGAL IDENTITY**

HACA Policy

HACA will require families to furnish verification of legal identity for each household member.

<b>Verification of Legal Identity for Adults</b>	<b>Verification of Legal Identity for Children</b>
Certificate of birth, naturalization papers Church issued baptismal certificate Current, valid driver's license or Department of Motor Vehicles identification card U.S. military discharge (DD 214) Current U.S. passport Current <a href="#">government</a> employer identification card <a href="#">with picture</a>	Certificate of birth Adoption papers Custody agreement Health and Human Services ID Certified School records Current U.S. passport

If a document submitted by a family is illegible for any reason or otherwise questionable, more than one of these documents may be required.

If none of these documents can be provided and at HACA’s discretion, a third party who knows the person may attest to the person’s identity. The certification must be provided in a format acceptable to HACA.

Legal identity will be verified for all applicants at the time of eligibility determination and in cases where the PHA has reason to doubt the identity of a person representing him or herself to be a participant..

Making a copy of the original documentation submitted, returning it to the individual, and retaining a copy in the file folder

Once the individual's verification status is classified as "verified," HACA may, at its discretion remove and destroy copies of documentation accepted as evidence of social security numbers. The retention of the EIV Summary Report or Income Report is adequate documentation of an individual's SSN.

#### HACA Policy

Once an individual's status is classified as "verified" in HUD's EIV system, HACA will not remove and destroy copies of documentation accepted as evidence of social security numbers.~~Once an individual's status is classified as "verified" in HUD's EIV system, HACA will remove and destroy copies of documentation accepted as evidence of social security numbers.~~

## 7-II.H. VERIFICATION OF PREFERENCE STATUS

HACA must verify any preferences claimed by an applicant that determined placement on the waiting list.

### HACA Policy

**Veteran Priority:** HACA will verify this preference through review of the veteran's DD-214 or verification provided by the Veterans Administration.

**Emergency Transfer Preference:** For emergency situations due to VAWA, HACA will verify this preference, ~~the PHA will~~ by following documentation requirements outlined in Section 16-IX.D. For emergency situations other than under VAWA, HACA will review documentation provided by an appropriate third party, such as law enforcement or a social service entity, or other information that verifies a need for an emergency transfer.

**Shortfall Terminated Preference:** HACA will verify this preference using HACA's termination records.

**Shortfall Recalled Preference:** HACA will verify this preference through a review of internal HACA records.

**Displaced-HACA Preference:** HACA will verify this preference through review of internal records.

**FYI to Voucher Preference:** HACA will verify this through review of Foster Youth to Independence (FYI) program records.

**BHCS/HCSA Program Graduates Preference:** HACA will verify this preference through review of Alameda County Behavioral Health Care Services Agency (BHCS) referral documents.

**Homeless Preference:** HACA will verify this preference through review of documentation attesting to the qualifying homeless status from a county Coordinated Entry System or an agency that serves homeless individuals and families ~~local homeless shelter, health or homeless services entity, social security administration, or law enforcement entity reflecting the individual/family is homeless within HACA's jurisdiction.~~

**Disaster Preference:** HACA will verify this preference through review of family-provided documentation (lease, utility bill, bank records) reflecting the address from which the family was displaced, and federal, state, local, or public documents reflecting the family resided in a federal, state, or locally declared disaster area (within 6 months of displacement).

~~HACA will offer a preference to any family that has been terminated from its HCV program due to insufficient program funding. HACA will verify this preference using HACA's termination records.~~

### PART III: VERIFYING INCOME AND ASSETS

Chapter 6, Part I of this plan describes in detail the types of income that are included and excluded and how assets and income from assets are handled. Any assets in excess of \$5,000 and income reported by the family, other than fully excluded income, must be verified. This part provides HACA policies that supplement the general verification procedures specified in Part I of this chapter.

#### 7-III.A. EARNED INCOME

##### Tips

###### HACA Policy

Unless tip income is included in a family member's W-2 by the employer, persons who work in industries where tips are standard will be required to sign a certified estimate of tips received for the prior year and tips anticipated to be received in the coming year.

##### Wages

###### HACPHA Policy

For wages other than tips, the family must provide originals of the two most current, consecutive pay stubs.

#### 7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME

###### HACA Policy

Business owners and self-employed persons will be required to provide:

A statement of income and expenses for the most recent three completed months in the format provided by HACA; and

All schedules completed for filing federal and local taxes in the preceding year (if completed).

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

~~An audited financial statement for the previous fiscal year if an audit was conducted. If an audit was not conducted, a statement of income and expenses must be submitted and the business owner or self-employed person must certify to its accuracy.~~

~~All schedules completed for filing federal and local taxes in the preceding year.~~

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

### 7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS

For policies governing streamlined income determinations for fixed sources of income, please see Chapter 11.

#### Social Security/SSI/SSDI Benefits

##### HACA Policy

To verify the SS/SSI benefits of applicants, HACA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s), HACA will ask the family to request a benefit verification letter from SSA's Web site at [www.ssa.gov](http://www.ssa.gov) or by calling SSA at 1-800-772-1213. Once the applicant has received the benefit verification letter, s/he will be required to provide it to HACA.

To verify the SS/SSI benefits of participants, HACA will obtain information about social security/SSI benefits through the HUD EIV System, and confirm with the participant(s) that the current listed benefit amount is correct. If the participant disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, HACA will request a current SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s) HACA will ask the family to request a benefit verification letter from SSA's Web site at [www.ssa.gov](http://www.ssa.gov) or by calling SSA at 1-800-772-1213. Once the participant has received the benefit verification letter they will be required to provide it to HACA.

For elderly and disabled families where 100 percent of the family's income consists of fixed income, HACA will recalculate family incomes by applying any published cost of living adjustments to the previously verified income amount (PIH 2013-3).

#### ~~Federal, State, local and Private Pension Plans and other Periodic Payments (PIH 2013-3)~~

##### ~~HACA Policy~~

~~For elderly and disabled families where 100 percent of the family's income consists of fixed income, HACA will recalculate family incomes by applying any published cost of living adjustments to the previously verified income amount. Fixed income includes income from Federal, State, local, and private pension plans and other periodic payments received from annuities, insurance policies, retirement funds, disability or death benefits, and other similar types of periodic receipts that are of substantially the same amounts from year to year.~~

### 7-III.J. STUDENT FINANCIAL ASSISTANCE [\[Notice PIH 2015-21\]](#)

Any financial assistance, in excess of amounts received for tuition, [fees, and other required charges](#) that a person attending an institution of higher education receives under the Higher Education Act of 1965, from private sources, or from an institution of higher education must be considered income unless the student is over the age of 23 with dependent children or is residing with parents who are seeking or receiving HCV assistance [24 CFR 5.609(b)(9) and FR 4/10/06].

For students over the age of 23 with dependent children or students residing with parents who are seeking or receiving HCV assistance, the full amount of student financial assistance is excluded from annual income [24 CFR 5.609(c)(6)]. The full amount of student financial assistance is also excluded for students attending schools that do not qualify as institutions of higher education (as defined in Exhibit 3-2). Excluded amounts are verified only if, without verification, HACA would not be able to determine whether or to what extent the income is to be excluded (see Section 7-III.H).

#### HACA Policy

For a student subject to having a portion of his/her student financial assistance included in annual income in accordance with 24 CFR 5.609(b)(9), HACA will request written third-party verification of both the source and the amount. Family-provided documents will be requested from the educational institution attended by the student as well as documents generated by any other person or entity providing such assistance, as reported by the student.

In addition, HACA will request written verification of the student's tuition, [fees, and other required charges](#) ~~amount~~.

If HACA is unable to obtain third-party written verification of the requested information, HACA will pursue other forms of verification following the verification hierarchy in Section 7-I.B.

In the event third-party verification is not available, HACA will provide the family with a form on which the family member must record job search efforts. HACA will review this information at each subsequent reexamination for which this deduction is claimed.

#### *Furthering Education*

HACA will request third-party documentation to verify enrollment in an educational institution~~that the person permitted to further his or her education by the child care is enrolled and provide information about the timing of classes for which the person is registered.~~ The documentation may be provided by the family.

#### *Gainful Employment*

HACA will seek third-party verification of employment~~the work schedule~~ of the person who is permitted to work by the child-care. In cases in which two or more family members could be permitted to work, the employment~~work schedules~~ for all relevant family members may be verified. The documentation may be provided by the family.

### **Allowable Type of Child Care**

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

#### HACA Policy

HACA will verify that the type of child care selected by the family is allowable, as described in Chapter 6 (6-II.F).

HACA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

HACA will verify that the child care provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

### **Reasonableness of Expenses**

Only reasonable child care costs can be deducted.

#### HACA Policy

The actual costs the family incurs will be compared with HACA's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

If the family presents a justification for costs that exceed typical costs in the area, HACA will request additional documentation, as required, to support a determination that the higher cost is appropriate.



The RTA must be submitted no later than the expiration date stated on the voucher. [HCV GB p.8-15].

### HACA Policy

The RTA must be signed by both the family and the owner.

The owner may submit the RTA on behalf of the family.

~~Completed RTA must be submitted as hard copies, in-person, by mail, by email, or, with approval of the Unit Manager, by fax followed by the original copy. Completed RTA must be submitted as hard copies, in-person, by mail, by email, or fax, as long as complete, legible, and clear.~~

The family may not submit, and HACA will not process, more than one (1) RTA at a time.

When the family submits the RTA HACA will review the RTA for completeness.

If the RTA is incomplete (including lack of signature by family, owner, or both), HACA will notify the family and the owner of the deficiencies.

Missing information and/or missing documents will only be accepted as hard copies, in-person, by mail, by email, or, with approval of the Unit Manager, by fax followed by the original copy. HACA will accept missing information over the phone if subsequently confirmed in writing.

Because of the time sensitive nature of the tenancy approval process, HACA will attempt to communicate with the owner and family by phone, fax, or email. HACA will use mail when the parties can not be reached by phone, fax, or email.

## **9-I.C. OWNER PARTICIPATION**

HACA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where HACA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. There are also criteria for which the PHA must disapprove an owner. No owner has a right to participate in the HCV program [24 CFR 982.306(e)]

See Chapter 13 for a full discussion of owner qualification to participate in the HCV program.

## HACA Review of Lease

HACA will review the dwelling lease for compliance with all applicable requirements.

### HACA Policy

If the dwelling lease is incomplete or incorrect, HACA will notify the family and the owner of the deficiencies. Missing and corrected lease information will only be accepted as hard copies, in-person, by mail, by email, or fax, as long as complete, legible, and clear ~~hard copies, in-person, by mail, by email or, with approval of the Unit Manager, by fax followed by the original copy.~~ HACA will accept missing and corrected information over the phone if subsequently confirmed in writing.

Because the initial leasing process is time-sensitive, HACA will attempt to communicate with the owner and family by phone, fax, or email. HACA will use mail when the parties can't be reached by phone, fax, or email.

HACA is permitted, but is not required, to review the lease to determine if the lease complies with State and local law and is permitted to decline to approve the tenancy if HACA determines that the lease does not comply with State or local law [24 CFR 982.308(c)]

### HACA Policy

HACA will not review the owner's lease for compliance with state/local law.

### 9-I.E. LEASE AND TENANCY ADDENDUM

The family and the owner must execute a written dwelling lease agreement for the assisted unit. This written lease is a contract between the tenant family and the owner; HACA is not a party to this contract.

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 [24 CFR 982.308(a)]

#### Lease Form and Tenancy Addendum [24 CFR 982.308]

If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease. The HAP contract prescribed by HUD contains the owner's certification that if the owner uses a standard lease form for rental to unassisted tenants, the lease for the assisted tenants is in such standard form.

All provisions in the HUD-required Tenancy Addendum must be added word-for-word to the owner's standard lease form. The Tenancy Addendum includes the HUD requirements for tenancy. Because it is part of the lease, the tenant shall have the right to enforce the Tenancy Addendum against the owner. If there is a conflict between the owner's lease and the Tenancy Addendum, the terms of the Tenancy Addendum shall prevail over any other provisions of the lease.

#### HACA Policy

~~HACA will have a model lease available for owners must who do not use a standard lease form, for their unassisted tenants. The model lease contains the HUD-prescribed tenancy addendum. The HUD-prescribed tenancy addendum is available in English, Arabic, Cambodian, Chinese, Creole, French, Hmong, Korean, Russian, Spanish and Vietnamese.~~

#### Lease Information [24 CFR 982.308(d)]

The assisted dwelling lease must contain all of the required information as listed below:

- The names of the owner and the tenant:
- The unit rented (address, apartment number, and any other information needed to identify the contract unit)
- The term of the lease (initial term and any provisions for renewal)
- The amount of the monthly rent to owner
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family