

BALTIMORE COUNTY
HOUSING CHOICE VOUCHER
ADMINISTRATIVE PLAN

EFFECTIVE JULY 1, 2016



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TABLE OF CONTENTS

I.	STATEMENT OF OVERALL APPROACH, POLICIES AND OBJECTIVES	5
A.	PURPOSE OF THE PLAN	5
B.	USE OF THE ADMINISTRATIVE PLAN	5
C.	FAIR HOUSING POLICY	6
D.	ADMINISTRATION OF PROGRAM FUNCTIONS	6
E.	PROJECT BASED VOUCHER	7
II.	COMPLETION OF APPLICATIONS, DETERMINATION OF ELIGIBILITY AND SELECTION OF FAMILIES	7
A.	FILING OF APPLICATION	7
B.	DETERMINATION OF ELIGIBILITY	7
C.	PREFERENCE IN SELECTION OF TENANTS	11
	<i>The selection preferences and priorities established in this section will be administered in a manner that is consistent with HUD's Fair Housing policy</i>	12
D.	MAINTAINING THE WAITLIST	12
III.	OCCUPANCY GUIDELINES	13
A.	OCCUPANCY STANDARDS FOR ASSIGNMENTS	14
B.	EXCEPTIONS FROM BASIC OCCUPANCY GUIDELINES	15
C.	UNIT SIZE SELECTION	15
IV.	INCOME VERIFICATION AND PAYMENT CALCULATIONS	15
A.	VERIFICATIONS REQUIRED TO DETERMINE ELIGIBILITY	15
B.	ANNUAL INCOME EXCLUDES	16
C.	CONVERTING INCOME	17
D.	IMPUTED INCOME FROM ASSETS	18
E.	ASSETS DO NOT INCLUDE	19
F.	ADJUSTED INCOME	20
G.	SPECIAL CALCULATION FOR HOUSEHOLD WHO ARE ELIGIBLE FOR DISABILITY ASSISTANCE AND MEDICAL EXPENSES	22
H.	METHODS OF VERIFYING NECESSARY INFORMATION	22
I.	INELIGIBLE DETERMINATION AT TIME OF VERIFICATION	23
J.	NOTICE OF DECISION AND INFORMAL REVIEW PROCESS	24
A.	HOUSING QUALITY STANDARDS (HQS) AND INSPECTIONS	25
	<i>Baltimore County Office of Housing adheres to the acceptability criteria in the program regulations and HUD Inspection Booklet with the following exceptions:</i>	25
B.	LEASE APPROVAL AND HOUSING ASSISTANCE PAYMENTS CONTRACTS EXECUTION	28
C.	PAYMENT STANDARD RENT LIMITATIONS	29
D.	SEPARATE AGREEMENTS	29
VI.	ANNUAL ACTIVITIES	29
C.	TIMELY REPORTING STANDARDS AND VERIFICATION OF INFORMATION	33
D.	CONTRACT RENT INCREASES BY OWNER	34
E.	UTILITIES	34
F.	MINIMUM RENT	35
VII.	TERMINATIONS AND SECURITY DEPOSITS	38
A.	INFORMAL HEARINGS	38
B.	OWNER ACTIONS, FRAUD, MISREPRESENTATION, OR BREACH OF CONTRACT	38
C.	FAMILY MOVES	39
D.	FAMILY BREAK-UP	40

E.	EVICTIONS	41
F.	ABSENCES FROM UNIT	41
G.	SECURITY DEPOSITS	41
VIII.	REPAYMENT AGREEMENTS	41
A.	USE OF REPAYMENT AGREEMENTS	41
IX.	FINANCIAL MANAGEMENT/REPORTING REQUIREMENTS	42
A.	THE HOUSING ASSISTANCE PAYMENT (HAP) REGISTER	42
B.	MONITORING PROGRAM PERFORMANCE	42
C.	HUD REGULATORY AMENDMENTS	43
D.	PAYMENT STANDARD	43
	REVISED GLOSSARY	45
	Addendum to the Housing Choice Voucher Administrative Plan	63

I. STATEMENT OF OVERALL APPROACH, POLICIES AND OBJECTIVES

The Housing Choice Voucher Program was created by the Housing and Community Development Act of 1974 and amended by the Housing and Community Development Acts when applicable.

Baltimore County Office of Housing applies for and receives allocations to operate this program as required by regulation, throughout the County. Baltimore County Office of Housing will also seek to apply for additional funding and resources to expand and enhance the program, and will complete any changes to the program as required by Federal Regulation.

Baltimore County Office of Housing is committed to administering quality rental assistance programs that effectively address the needs of County low-income, very low-income, and extremely low-income families. We will do this by providing leadership, innovative responses, and comprehensive support to our citizens. Our rental assistance programs will: provide decent, safe and affordable housing free from discrimination; promote freedom of housing choice and spatial deconcentration; provide incentives to private property owners to rent to lower income families; and, promote economic self-sufficiency.

A. PURPOSE OF THE PLAN

The Housing Choice Voucher Programs are designed to achieve five major goals:

- 1. To assist very low income and low-income families with rent payments.**
- 2. To enable Housing Choice Voucher participants to have a greater choice in housing types and locations.**
- 3. To provide decent, safe, and sanitary housing for eligible participants.**
- 4. To provide incentives to private property owners to rent to low income families by offering timely assistance payments.**
- 5. To help facilitate a transition from housing assistance to self-sufficiency through implementation of the Family Self-Sufficiency (FSS) Program.**

B. USE OF THE ADMINISTRATIVE PLAN

The Housing Office of Baltimore County has full responsibility for the satisfactory completion of all contractual obligations with the Department of Housing and Urban Development (HUD) and for complying with all subsequent changes pertaining to these Programs. If such changes conflict with the Plan, HUD regulations will have precedence. The administrative burden for implementation and compliance with the Federal regulations rests with Baltimore County Office of Housing. The Plan covers both admission and continued participation policies for the Program. Policies are the same for all programs, unless otherwise noted. Changes to the Plan will be approved by the Baltimore County Department of Planning and HUD.

All issues not addressed in this document related to tenants and participants, including owners, are governed by the HUD Handbook 7420.7, Federal regulations,

HUD or Baltimore County Office of Housing notices, memorandums, and guidelines.

Where the word "may" appears throughout the text, Baltimore County Office of Housing has discretion in the implementation of the policy described.

Wherever the word "must" appears throughout the text, Baltimore County Office of Housing will implement the policy as stated.

C. FAIR HOUSING POLICY

It is the policy of Baltimore County Office of Housing is to comply fully with all Federal, State and local non-discrimination laws and to operate in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

Specifically, Baltimore County Office of Housing shall not on account of race, color, sex, religion, creed, national ethnic origin, age, family or marital status, handicap or disability, deny any family or individual the opportunity to apply for or receive assistance under HUD's Housing Choice Voucher Programs, within the requirements of the HUD regulations.

To further its commitment to full compliance with the Civil Rights laws, Baltimore County Office of Housing will provide Federal, State and local information to Voucher holders regarding "discrimination" and any recourse available to them should they feel that they have been a victim of discrimination. Such information will be made available during the family briefing session and all applicable Fair Housing information and Discrimination Complaint Forms will be made a part of the Voucher holder packets.

D. ADMINISTRATION OF PROGRAM FUNCTIONS

Outreach to Families:

The following outreach steps will be taken by Baltimore County Office of Housing to maximize compliance with the ACC allocations:

- 1. Baltimore County Office of Housing will announce the program to the local newspaper, minority media, and other appropriate media channels. In addition, recognizing that there are persons who do not, or cannot read the newspapers; Baltimore County Office of Housing will distribute fact sheets to the broadcasting media.**
- 2. An announcement will be posted at Baltimore County Office of Housing and Department of Planning.**
- 3. Public meetings will be with community organizations to inform residents of the Program when warranted.**

Outreach to Owners:

Orientations for owners will be conducted as needed to make dwelling units available for leasing by eligible families. Owners of units located outside of areas with a high, low-income or minority concentration will be encouraged to participate. On a continuing basis, Baltimore County Office of Housing will welcome the participation of owners of decent, safe and sanitary housing units.

A list of interested landlords and their properties available for the Housing Choice Voucher Program is maintained by Baltimore County Office of Housing. This list is updated on an ongoing basis and made available to prospective tenants upon request.

E. PROJECT BASED VOUCHER

Details regarding the implementation of project based vouchers are outlined in an addendum attached to this plan.

II. COMPLETION OF APPLICATIONS, DETERMINATION OF ELIGIBILITY AND SELECTION OF FAMILIES

A. FILING OF APPLICATION

Baltimore County Office of Housing initially will require families to provide only the information needed to make an initial assessment of the family's eligibility, and to determine the family's placement on the waiting list. The family will be required to provide all of the information necessary to establish family eligibility and level of assistance when the family is selected from the waiting list.

Families may obtain application forms from the Baltimore County Office of Housing office during normal business hours. Families may also request – by telephone or by mail –that a form be sent to the family via first class mail. Applications may also be obtained online at www.baltimorecountymd.gov.

Completed applications must be returned to the Baltimore County Office of Housing by mail, by fax, or submitted in person during normal business hours. Applications must be complete in order to be accepted by the Baltimore County Office of Housing for processing. If an application is incomplete, the Baltimore County Office of Housing will notify the family of the additional information required.

B. DETERMINATION OF ELIGIBILITY

If an applicant is determined to be eligible to be placed on the waiting list, said applicant is notified in writing. If an applicant is initially determined to be ineligible

said applicant is notified in writing and advised that he/she may ask for an informal review to discuss the decision.

1. **If at the time the applicant's name reaches the top of the waiting list, there is an outstanding debt, the applicant will be required to pay the debt in full before receiving assistance. Failure to do so will result in the applicant being removed from the waiting list, with the opportunity for an informal review. In either case, the applicant will be given the opportunity to an informal review.**
2. **Baltimore County Office of Housing reserves the right to deny housing assistance to a family or single applicant if a family member has engaged in or been evicted from assisted housing due to drug-related or violent criminal activity in the past three years. Baltimore County Office of Housing is not required to list the family on the waitlist or to admit the family off the waitlist. A waiver, however, may be granted for an individual who clearly did not participate in or have knowledge of drug related or criminal activity or if the circumstances leading to eviction no longer exist.**

To be eligible for assistance, an applicant must meet the following criteria:

- **Applicant's gross family income must not exceed the income limits established for Housing Choice Vouchers.**
- **Meet the definition of a family. Family includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status. A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law but who either can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family:**
 - (1) **A family with or without children (A child who is temporarily away from the home because of placement in foster care is considered a member of the family);**
 - (2) **An elderly family;**
 - (3) **A near-elderly family;**
 - (4) **A disabled family;**
 - (5) **A displaced family;**
 - (6) **The remaining member of a tenant family; and**
 - (7) **A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.**
- **Elderly family - a family whose head, spouse, or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.**

- **Near-elderly family** - a family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.
- **Disabled family** - a family whose head, spouse, or sole member is a person with disabilities. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.
- **Person with disabilities:**
 - (1) Means a person who:
 - (i) Has a disability, as defined in 42 U.S.C. 423;
 - (ii) Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
 - (A) Is expected to be of long-continued and indefinite duration;
 - (B) Substantially impedes his or her ability to live independently, and
 - (C) Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or
 - (iii) Has a developmental disability as defined in 42 U.S.C. 6001.
 - (2) Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent or acquired immunodeficiency syndrome;
 - (3) For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence; and
 - (4) Means “individual with handicaps”, as defined in Sec. 8.3 of this title, for purposes of reasonable accommodation and program accessibility for persons with disabilities.
- **Displaced family** - a family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.
- **Live-in aide** - 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.

Baltimore County Office of Housing may 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 live in aide is a member of the household, but is not a family member and the income of the aide is not considered in income calculations [24 CFR 5.609]. Relatives may be approved as live in aides if they meet all of the criteria defining a live in aide. However, the relative who serves as a live in aide is not considered a family member and would not be considered a remaining member of a tenant family. A live-in aide cannot change their status to be considered a family member.

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

In addition, the family and live in aide will be required to submit a certification stating that the live in aide is (1) not obligated for the support of the person (s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services. The person submitted by the family as a live-in aide will be required to submit to a criminal background screening prior to any final determination by Baltimore County Office of Housing. Baltimore County Office of Housing will not approve a particular person as a live in aide, and may withdraw such approval if the person does not pass screening, including, but not limited to [24 CFR 982.316 (b)]:

- Fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;**
- A record of drug related criminal activity or violent criminal activity;**
- Owes rent or other amounts to Baltimore County Office of Housing or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act**

Within 30 days of receiving a request for a live in aide, including all required documentation related to the request, Baltimore County Office of Housing will notify the family of its decision in writing.

All Family members who will be assisted through the Housing Choice Voucher program must be listed and verified as household members at the time of acceptance on the Program. Additions to the household will only be permitted if they meet the criteria listed above, and at the request of the head of household. Additions to the family must be as a result of birth, marriage/spousal relationship, custody, adoption, or reasonable accommodation for health care. These situations must be verified prior to addition to the family.

If the addition to the family is a minor, then he/she must be placed in the household through birth, adoption, court order or proof of legal custody.

C. PREFERENCE IN SELECTION OF TENANTS

PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the PHA will use [24 CFR 982.202(d)].

PHAs are permitted to establish local preferences [24 CFR 982.207], and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. Any local preferences established must be consistent with the PHA plan and the Consolidated Plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources.

Families will be selected from the waiting list in the order of the date and time their applications are received in the Housing Office, and upon their claim of local preferences. Families are required to document their preference at the time of their program eligibility determination.

1. Local preferences include:

- The head of household lives in Baltimore County.**
- The head of household or spouse works in Baltimore County or has received current official notification to work in Baltimore County.**
- The head of household has been terminated from the County's Housing Choice Voucher Program due to insufficient program funding.**
- The head of household is displaced either due to acquisition or demolition of their unit by Baltimore County Government, or in conjunction with County redevelopment efforts.**

All families, elderly families or families whose sole family member is elderly, displaced, or disabled (including those in protected classes, see 24 CFR 100.80) shall be given a selection priority over all "Other Single" applicants.

"Other Singles" denotes a one-person household in which the individual member is not elderly or disabled. Such applicants will be placed on the waiting list in accordance with any other preferences to which they are entitled, but they cannot be selected for assistance before any one or two person elderly, displaced, or disabled family, regardless of local preferences.

Families may claim more than one local preference. Local preferences will be aggregated, and families with the greatest number of preferences will out-rank those with lesser numbers of preferences.

2. Income Requirements

Families will be assigned in accordance with the income targeting requirements established based upon waitlist demographics. Targeting requirements will be evaluated annually and modifications will be made as an internal communication as amendment to this policy.

The policy will reflect waitlist demographics as indication of the demand required upon the program. Baltimore County Office of Housing will continue to adhere to the Federal Requirements as they are updated.

The targeting requirements will also be set with emphasis on insuring that the program can be well utilized by the recipients and that families of all income ranges can benefit from the program.

The selection preferences and priorities established in this section will be administered in a manner that is consistent with HUD's Fair Housing policy

Applicants who do not meet the criteria for any preferences as discussed in this Plan will remain on the waiting list according to the date and time of the application.

D. MAINTAINING THE WAITLIST

A list of interested families will be maintained when immediate assistance is not available. This waiting list will be maintained according to the applicant preference, date and time of the family's application. All applicants must report in writing to Baltimore County Office of Housing any change in address, family composition, income, or factors affecting preference points when changes occur. The waitlist is updated daily.

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former families may make a new application with a new application date if the waiting list is open. Exceptions to this policy will be reviewed on a case by case basis and determinations made at the discretion of Baltimore County Office of Housing given the circumstances presented.

Should applicant not respond to the request for updated information or to selection for the program for any reason, prior to the established deadline, the applicant will be deleted from the waiting list. Reasons for non-response, resulting in deletion from the list, include (but are not limited to) negligence in returning the form in a timely manner; relocation resulting in a return of an application update request to Baltimore County Office of Housing with no forwarding address. The waitlist will remain open for acceptance of applications until a determination is made by the Executive Director to close the waitlist and at such time a notice will be posted in the legal section of the local newspapers.

The Office of Housing has entered into a HAP Contract to subsidize units at TABCO Towers (182 units); Prospect Place (Nehemiah House) (20 units); Remington

(scattered site) (100 units) and Mobility (scattered site) (50 units). These are project based voucher programs and require separate waiting lists, based solely upon date and time of application and eligibility for the specified unit. Remington Project Based Vouchers will require the need for accessible housing; TABCO Project Based Vouchers will require the Head of Household to be elderly; Nehemiah House will require case management; and Mobility requires Mobility Program service provision.

E. SPECIAL ADMISSIONS [24 CFR 982.203]

HUD may award funding for specifically named families living in specified types of units (e.g., a family that is displaced by demolition of public housing; a family affected by an owner's decision to opt out of a project based Section 8 contract and families affected by an owner's decision to prepay a HUD insured mortgage). In these cases, Baltimore County Office of Housing may admit families that are not on the waiting list, or without considering the family's position on the waiting list. Baltimore County must maintain records showing that such families were admitted with special program funding.

- Families affected by an owner's decision to opt-out of a project based Section 8 contract will receive a voucher to allow the family to remain in the affected unit or to relocate to an affordable unit. The voucher size (i.e., number of bedrooms) is based on the number of family members identified on the assisted lease for the affected project.
- Families affected by an owner's decision to prepay or upon final payment of a HUD insured mortgage will receive a voucher to allow the family to remain in the affected unit or relocate to an affordable unit. The voucher size (i.e., number of bedrooms) is based on the number of family members identified on the assisted lease for the affected project.

III. OCCUPANCY GUIDELINES

Baltimore County Office of Housing, in accordance with HUD guidelines, has established standards for the assignment of Vouchers (number of bedrooms) appropriate for the applicant family.

The following requirements apply when determining family unit size:

- For subsidy standards purposes, an adult is a person 18 years or older.
- The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.

- The subsidy standards must be consistent with space requirements under the housing quality standards and the Baltimore County livability code.
- The subsidy standards must be applied consistently for all families of like size and composition.
- A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.
- A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family.
- Any live-in aide (approved by Baltimore County to reside in the unit to care for a family member who is disabled) must be counted in determining the family unit size.

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

Baltimore County Office of Housing will assign one bedroom for each two persons in the household, except in the following circumstances.

- Head of household - this includes head of household with spouse or in a spousal relationship
- Persons of the opposite sex over the age of five (other than spouses and those in spousal relationships), and unrelated adults will be allocated separate bedrooms.
- Foster children and/or Foster adults
- Live-in attendants (approved by Baltimore County to reside in the unit to care for a family member who is disabled) must be counted in determining the family unit size. No additional bedrooms are provided for the attendant’s family.

Single person families shall be considered to be a family unit size of one.

A. OCCUPANCY STANDARDS FOR ASSIGNMENTS

<u>VOUCHER SIZE</u>	<u>MINIMUM # PERSONS IN HOUSEHOLD</u>	<u>MAXIMUM # PERSONS IN HOUSEHOLD</u>
1 BR	1	2
2 BR	2	4
3 BR	3	6
4 BR	4	8
5-6 BR	6	10-12

a. EXCEPTIONS FROM BASIC OCCUPANCY GUIDELINES

Exceptions to these standards may be granted by Baltimore County Office of Housing to allow the assignment of a larger unit size than specified in the standards if warranted by the conditions affecting family members. All exceptions must be requested by the family, verified and documented by Baltimore County Office of Housing. Exceptions shall be granted at the discretion of Baltimore County Office of Housing.

The preceding categories of occupancy standards are guidelines only. A family may elect to occupy a smaller unit than these guidelines would dictate if they so choose as long as they are not determined overcrowded per the occupancy standards.

b. UNIT SIZE SELECTION

The family may select a larger dwelling than that listed on the Voucher.

Two criteria are considered for the Voucher Program:

- **Payment Standards:** The Payment Standard for the Voucher size approved for the family or the unit size actually selected by the family, whichever is less, must be applied to the unit.
- **Utility Allowance:** The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's Voucher.

IV. INCOME VERIFICATION AND PAYMENT CALCULATIONS

A. VERIFICATIONS REQUIRED TO DETERMINE ELIGIBILITY

- **Annual income of all family members 18 years of age or older expected to reside in the unit. Income would include employment, benefits, school grants, support, interest or dividends from savings accounts, stocks, or bonds.**
- **Assets such as real property, savings accounts, stocks, and bonds.**
- **Unusual expenses such as child care to enable family members to work or furthering their education. Medical expenses for elderly family in excess of 3% of families annual gross income.**
- **Full-time student status of adult family members.**

- **Family composition such as relationship of adult family members, children with last names different from parents, custody, if applicable, foster care papers, and other similar situations of unusual family composition.**
- **Medical information could be required to justify a larger bedroom size voucher than the family is otherwise eligible.**
- **Regular contributions & gifts from person(s) outside the household will be counted as income. Casual or sporadic gifts are excluded.**
- **Lottery winnings paid in periodic payments. (Winnings paid in a lump sum are included in net family assets - not in annual income.)**
- **The annual income of the spouse of the head of the household, if that person is temporarily absent, such as away at college or in the armed forces, even if that person is not on the lease.**
- **Benefits and other non-earned income paid directly to or on behalf of minors and full-time students.**
- **The annual income for a family member including a permanently absent member will be counted until written verification that the family member has vacated the unit is received.**
- **The gross amount (before deductions for Medicare, etc.) of periodic social security payments. Includes payments received by adults on behalf of minors or by minors for their own support).**
- **Annuities, insurance policies, retirement funds, pension, disability or death benefits and other similar types of periodic receipts.**
- **Payments in lieu of earnings, such as unemployment and disability compensation and severance pay. Any payments that will begin during the next 12 months must be included.**
- **Net payments of adjusted benefits.**

B. ANNUAL INCOME EXCLUDES

- **Employment income of children (including foster children) younger than 18.**
- **Food Stamps; meals on wheels or other programs that provide food for the needy; groceries provided by persons not living in the household.**
- **Grants or other amounts received specifically for medical expenses.**
- **Adoption Assistance Payments**

- **Income associated with persons that live in the unit but are not regular household members includes:**
 - **payments received for care of foster children**
 - **income of live-in attendants**
- **Homecare payments**
- **Resident Service Stipends**
- **The principal portion of the payments received on mortgages or deeds of trust.**
- **Earned Income of Full Time Students 18 years or older (except the Head of Household and spouse). The exemption only applies to earnings in excess of \$480.00.**
- **Scholarships, veterans benefits or student loans used for tuition, fees, books, equipment or reasonable rent or utility costs for a student living away from home.**
- **State or Local employment training programs and training of resident management staff.**
- **Hazardous duty pay to a family member in the military.**
- **Lump-sum additions to family assets - such as inheritances; one-time lottery winnings; insurance settlements under health and accident insurance and worker's compensation; settlement for personal or property losses.**
- **Exclusion of Deferred Periodic Payments of SSI and Social Security received in lump sum.**
- **Casual, sporadic or irregular gifts (including verified census taker earnings).**
- **Payments, rebates, or credits received under Federal, Low-Income Home Energy Assistance Programs or other government agencies.**

Income excluded by Federal Statute.

C. CONVERTING INCOME

To annualize full employment, multiply:

- hourly wages by 2080 hours**
- weekly wages by 52**
- bi-weekly amounts by 26**

- semi-monthly amounts by 24
- monthly amounts by 12

D. IMPUTED INCOME FROM ASSETS

If net family assets exceed \$5,000, annual income must include the greater of:

- **The actual income from assets; or**
- **An imputed income from assets:**
- **Imputed income is calculated by multiplying the total net family assets by the specified interest rate. The current rate is established by HUD and will be changed as per regulatory changes.**

Pursuant to PIH 2016-05, the Baltimore Office of Housing will obtain a family's declaration of assets under \$5,000 at the family's next interim or annual reexamination.

PHAs are required to have all family members 18 years of age and older sign the family's declaration of total assets. Families will be required to submit a declaration of assets along with the consent forms that are required pursuant to 24 CFR 5.230. A family that knowingly submits false information is subject to a civil penalty, plus damages, under the False Claims Act (31 U.S.C. 3729).

Whenever a family member is added, the Baltimore County Office of Housing must obtain third-party verification of that family member's assets. At the next annual reexamination of income following the addition of that family member, the Baltimore County Office of Housing must obtain third-party verification of all family assets if the addition of that family member's assets puts the family above the \$5,000 asset threshold. If the addition of that family member's assets does not put the family above the \$5,000 asset threshold, then the Baltimore County Office of Housing is not required to obtain third-party verification of all family assets at the next annual reexamination of income following the addition of the family member; however, third-party verification of all family assets is required at least every 3 years.

Family assets include:

- **Amounts in savings and checking accounts.**
- **Equity in real property or other capital investments is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees, penalties), that would be incurred in selling the asset.**

- **The cash value of trusts that are available to the household.**
- **IRA (an individual retirement account), Keogh and similar retirement savings accounts.**
- **Stocks, Bonds, Treasury Bills, Certificate of Deposits, Money Market Funds.**
- **Contributions to company retirement/pension funds:**

While an individual is employed, count only amounts the family can withdraw without retiring or terminating employment.

After retirement or termination of employment, count as an asset any amount the employee elects to receive as a lump sum.

- **Lump-sum receipts such as inheritances, capital gains, lottery winnings, insurance settlements, and other claims.**
- **Personal property held as an investment.**
- **Cash value of life insurance policies.**
- **Assets disposed of for less than fair market value during the two years preceding application or re-examination.**
- **Business assets disposed of for less than fair market value. (Business assets are excluded from net family assets only while they are part of an active business.)**

E. ASSETS DO NOT INCLUDE

- **Clothing, furniture, cars**
- **Interest in Indian trust lands**
- **Equity in a cooperative unit in which the family lives**
- **Assets that are not accessible to the applicant and provide no income to the applicant. In such cases the asset must be disclosed to the Baltimore County Office of Housing staff and a written affidavit from the client stating the type of asset and that they do not have access to, nor do they receive any income from the asset. Should the situation change and the client is granted access it will be incumbent upon the assisted family to disclose the change and report the asset within 10 days of the occurrence.**
- **The amount of equity in a mobile home for those families participating under the Mobile Home Pad Assistance.**

F. ADJUSTED INCOME

Gross annual income minus allowances for dependents, elderly household deduction, child care, medical and handicap expenses equals adjusted income.

1. Dependent Allowance

\$480 for each household member who is under 18 years of age, or is handicapped, disabled or a full-time student.

The head, spouse, foster child or live-in attendant is never counted as dependents.

Cannot count unborn child or child to be adopted until the child is physically in the household.

A full-time student is one carrying a full-time subject load (as defined by the institution) at an institution in a degree or certificate program.

2. Elderly Household Deduction

\$400 per family for all families in which the head or spouse is at least 62 years of age or handicapped or disabled. The \$400 is a household deduction (only one per family, even if both head and spouse are elderly).

3. Child Care

Reasonable child care expenses for the care of children, including foster children, age 12 and younger may be deducted from annual income if all of the following are true:

- The care is necessary to enable a family member to work or further his/her education (academic or vocational);**
- The expense is not reimbursed by an agency or individual outside the household; and**
- The expenses incurred do not exceed the amount earned by the family member enabled to work.**

4. Allowance for Handicapped/Disabled Family Members

Families may deduct anticipated expenses for care attendants and "auxiliary apparatus" for handicapped or disabled family members if such expenses:

- **Enable a family member (including the handicapped family member) to work;**
- **Exceed three percent of Annual Income; and**
- **Do not exceed the earned income of the household member(s).**

"Auxiliary apparatus" are items such as wheelchairs, ramps, adaptations to vehicles, special equipment to enable a blind person to read or type, etc. if directly related to permitting the physically challenged person or other family member to work.

5. Medical Expenses

The medical expense deduction is permitted only for households in which the head or spouse is at least 62 years of age, handicapped or disabled. If the household is eligible for a medical expense deduction, the medical expenses of all family members are counted.

They may include:

- **Services of health care facilities.**
- **Medical insurance premiums.**
- **Prescription/non-prescription medicines.**
- **Transportation to treatment.**
- **Dental expenses, eyeglasses, hearing aids, batteries.**
- **Live-in or periodic medical assistance.**
- **Monthly payment on accumulated medical bills.**

Allowable Medical Expense is that portion of total medical expenses that is in excess of three percent of annual income.

G. SPECIAL CALCULATION FOR HOUSEHOLD WHO ARE ELIGIBLE FOR DISABILITY ASSISTANCE AND MEDICAL EXPENSES

If a family has both medical expenses and disability assistance expenses, a special calculation is required.

Three percent of annual income must first be deducted from the handicap assistance expenses. Any remainder is then deducted from total medical expenses.

H. METHODS OF VERIFYING NECESSARY INFORMATION

- 1. Third Party (Independent) Verification:** This should be used whenever possible as it provides the most reliable results. If other methods are used, the file should contain documentation to explain the reason. This documentation should be used to verify information obtained via the Enterprise Income Verification System (EIV).

Third party verification refers to written or oral verification from employers, public agencies, physicians, etc. If oral, the file must be documented with the date and name of Baltimore County Office of Housing staff member receiving the information.

Internal Revenue Service Data: This source can be used for income purposes and is especially useful when self-employment is involved. The information must be from the most recent year filed.

- 2. Review of Documents:** When documents are reviewed they must be photocopied unless prohibited by law. When photocopies cannot be made, information must be recorded, dated, and signed.

Notarized Statement or Signed Affidavits may be accepted from applicants or participants when all other sources have been exhausted. They should not be accepted in lieu of other possible methods.

Verifications for income or expenses must be updated if older than 60 days, for the purpose of certification.

Note: In the case of Child Support and other State provided documents, the amount eligible shall be utilized, not the amount received or historical receipts. If irrefutable evidence exists to prove that the awarded amount is not being dispersed, or no benefits at all, to the family, the average period benefits will be used.

- 3. Enterprise Income Verification (EIV) Data:** This information is provided for all clients and must be reviewed and evaluated. The information provided must be verified by methods identified in parts 1 and 2 of the section. Social Security data provided by EIV does not require further verification.

I. INELIGIBLE DETERMINATION AT TIME OF VERIFICATION

Families may be determined ineligible if their income exceeds the very low income standards prescribed by HUD. Families requesting to transfer their housing assistance from another jurisdiction must meet the HUD established income limits for the Baltimore County Office of Housing area.

Families may be determined ineligible when their income is such that the Total Tenant Payment is equal to or exceeds the highest rent standard for the unit size for which the family would be eligible.

Families may be determined ineligible if it is discovered that a household member submitted fraudulent information, participated in bribery or any other corrupt or criminal act. Families may be determined ineligible if it is discovered that the use of alcohol/drugs would likely result in conduct that would adversely affect the property environment.

Families may be determined ineligible due to specified criminal activity, or an action or failure to act by a household member as defined and detailed by Federal Statute. Baltimore County Office of Housing must prohibit admission to the program of an applicant for three years from the date of eviction if a household member has been evicted from federally assisted housing for drug related criminal activity. However, Baltimore County Office of Housing may admit the household if it is determined: (1) that the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation approved by Baltimore County Office of Housing; or (2) that the circumstances leading to the eviction no longer exist.

Baltimore County Office of Housing must establish standards that prohibit admission if: (1) Baltimore County Office of Housing office determines that any household member is currently engaging in illegal use of a drug, and (2) Baltimore County Office of Housing determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents, and (3) any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

Baltimore County Office of Housing must establish standards that prohibit admission to the program if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

J. NOTICE OF DECISION AND INFORMAL REVIEW PROCESS

All ineligible applicants must be advised of such in writing of their family obligations under the program and the grounds on which Baltimore County Office of Housing may terminate assistance, and of their right to informal review and given 10 days to request an informal review.

The informal review will provide the applicant with an opportunity to present new information or to refute existing information. The Hearing Officer may declare an applicant eligible, continue the findings of ineligibility, or reopen the case for further evaluation. The applicant shall be notified in writing of the results of the informal review.

V. BRIEFING OF FAMILIES AND ISSUANCE OF VOUCHERS

Every effort is made to thoroughly brief potential tenants on all Housing Choice Voucher Programs. This effort includes both individual and group briefings. At the individual briefings, the tenant can ask questions specific to his/her own circumstances. At the group briefing, the following tools may be used:

- An audio-visual presentation;**
- An oral presentation;**
- A question and answer period; and**
- Distribution of related materials.**

At the briefings, pertinent information is discussed on all programs. Especially stressed are all tenant responsibilities.

In an effort to aid families in housing selections, a listing of available units is maintained by Baltimore County Office of Housing. These properties are not pre-screened, and this is so stated to the families. When possible, additional assistance is provided by the Baltimore County Office of Housing staff for families having difficulty finding housing.

Prior to issuance of a Voucher all income verification must be current within (60) days.

Once issued, a family is given 60 days to locate suitable housing in the locale of its choice. Two additional 30-day extensions can be given upon the family's request by the Department Supervisor(s), provided that the family is able to justify the need for an extension.

If the Voucher expires at the end of the initial 60 day term without an extension or if it expires after any additional term requested and approved, the family may

reapply for the program if they so desire, if the waiting list is open, and be placed back on the waiting list according to the date of their reapplication. Baltimore County Office of Housing may not determine the family to be ineligible for the program on the grounds that it was not able to utilize a previously issued Voucher. Any expired Vouchers should be reissued to the next eligible applicants on the waiting list as soon as possible.

A. HOUSING QUALITY STANDARDS (HQS) AND INSPECTIONS

The Baltimore County Office of Housing will use the HUD acceptability criteria in the program regulations and the HUD Inspection booklet (HUD 52580) for all inspections of dwelling units and incorporates the County's Livability Code (Title 5 Article 35 of the County code) as variations to acceptability criteria [24 CFR 982.401 (a) (4)]. A copy of the Livability Code is attached as Exhibit 1. Inclusion of the Livability Code does not limit housing choice or conflict with HUD's housing quality standards.

Baltimore County Office of Housing adheres to the acceptability criteria in the program regulations and HUD Inspection Booklet with the following exceptions:

- Carbon monoxide detectors in units identified in Bill No. 91-09 (attached)
- Smoke detectors in units identified in Bill No. 21-85 (attached)
- Baltimore County Office of Housing began enforcing the new lead paint regulations mandated by 24 CFR 35 on September 15, 2000. The purpose of these regulations is to ensure that housing receiving Federal assistance does not pose lead based paint hazards to young children. Complete regulations can be obtained at hud.gov/lead.
- Severe weather related items: Where items on the exterior are noted and repairs cannot be made due to severe weather conditions, up to a 120 day extension may be granted by the PHA, as long as any hazardous condition is relieved. For example, where paint is peeling on the exterior and it is during a severe weather-related period, the owner will be required to scrape off the peeling paint and the repainting requirement (which is not required by HUD) may be delayed up to 120 days.
- Utilities must be turned on for the Housing Quality Standards inspection prior to the execution of a HAP Contract.
- If the tenant is supplying the range or refrigerator, the working condition must be verified at the time of the move in.
- Discharge line on the hot water heater must be approximately 12-18" from the floor.

- **The PHA may fail unsanitary conditions where exposed food, garbage, and excrement exist to a degree where health may be endangered.**
- **Pilot lights which are present on gas stoves must be in proper working order.**
- **Trash bags will not be considered "adequate covered facilities".**
- **Adequate heat shall be considered to be 65 degrees within three feet of the floor and from an exterior wall for all rooms used for living.**
- **Natural Light -- Every room or space intended for human occupancy shall have an interior glazing (window) area of not less than eight (8) percent of the floor area. (1206.2 B.O.C.A. Code 1996)**
- **Natural Ventilation -- The minimum openable area to the outdoors (windows) shall be four (4) percent of the floor area being ventilated. (1208.2 B.O.C.A. Code 1996)**
- **Means of Egress/Emergency Escape and Rescue -- Every sleeping room shall have at least one operable window or exterior door approved for emergency escape and rescue. Each emergency escape or rescue window shall have a minimum net clear opening of 5.7 square feet (0.53m²). The net clear opening shall be at least 24 inches (610mm) in height and at least 20 inches (508 mm) in width. The net clear opening dimensions shall be obtained by the normal operation of the window from the inside. Where windows are provided for emergency escape and rescue, the windows shall have the bottom of the clear opening not more than 44 inches (1118mm) above the floor. (1010.4 B.O.C.A. Code 1996)**
- **Walls, ceilings, and floors must be finished. Exposed wall studs and floor/ceiling joists are not acceptable.**
- **Modifications or adaptations to a unit due to a disability must meet all applicable HQS and livability codes.**

Quality Control

In addition to ongoing inspections, periodic, random review of completed inspections will be performed by supervisory personnel at a minimum of 5% sampling of inspections to ensure quality control.

Abatement

If the annual inspection reveals that the unit is not in decent, safe and sanitary condition as required by the HQS criteria, Baltimore County Office of Housing will

immediately notify in writing within 7 business days to the owner *and tenant* of the deficiencies and require that the conditions be corrected within 30 days from the date of the notification letter.

If the owner does not take the required action to correct the deficiencies deemed as his/her responsibility within 30 days, Baltimore County Office of Housing will abate the housing assistance payments until such time as the owner corrects the deficiencies. The housing assistance payment abatement will be effective immediately following the expiration of the specified correction period (including any extension). Baltimore County Office of Housing will inspect abated units within 7 calendar days of the owner's notification that the work has been completed. This inspection will not take place if the HAP Contract has been terminated. The housing assistance payments will resume effective on the day the unit passes inspection, but Baltimore County Office of Housing will not make payments for the period the unit was not in compliance.

Tenants who do not correct the deficiencies deemed as his/her responsibility in a timely manner will have their assistance terminated.

At agency discretion, on a case-by-case basis, physical re-inspections for minor non-life threatening deficiencies may not be required. However, statements, invoices, photographs and documents must be submitted within the allowable time period in lieu of the physical inspection. If the violation(s) are not corrected after a second inspection, within the prescribed time period, the housing assistance payments contract will be terminated.

Life Safety Deficiencies

If there are serious deficiencies that present an immediate danger to the health and safety of the family, Baltimore County Office of Housing will require a correction of those deficiencies within 24 hours. (The owner however, is not responsible for HQS violations caused by the family. Such violations include damage to the unit by the family or guest beyond normal wear and tear and verification of the absence of tenant paid utilities.)

If the owner does not take the required action to correct the deficiencies deemed as his/her responsibility within 24 hours, Baltimore County Office of Housing will abate the housing assistance payments until such time as the owner corrects the deficiencies. The housing assistance payment abatement will be effective immediately following the expiration of the specified correction period (including any extension). The housing assistance payments will be resumed once the deficiencies are fully corrected by the owner, but Baltimore County Office of Housing will not make payments for the period the unit was not in compliance.

Tenants who do not correct the deficiencies deemed his/her responsibility in a timely manner will have their assistance terminated.

If the violation(s) are not corrected within the prescribed time period, the Housing Assistance payments contract will be terminated.

Owners who have repeated fail grades on consecutive initial inspections will receive a warning letter notifying them that they are not compliant with program regulations. If units continue to fail thereafter, an owner may be terminated from the program and no additional contracts will be allowed until the owner can prove they have the ability to comply with program obligations.

B. LEASE APPROVAL AND HOUSING ASSISTANCE PAYMENTS CONTRACTS EXECUTION

In the execution of the Lease Agreement and Addendum to the Lease, both parties (tenant and owner) will be made aware of required and prohibited lease provisions. Both parties will receive a copy of pertinent contract documents. Upon receipt of a Request for Tenancy Approval, signed by tenant and owner, Baltimore County Office of Housing will insure that the contract rent:

- **Is within the applicable Payment Standard and,**
- **Is reasonable in relation to rents currently being charged for comparable units in the private, unassisted market, also**

Baltimore County Office of Housing will also ensure:

That the owner of the unit is not subject to certain federal actions such as debarment, suspension or denial of participation under 24 CFR 982.306.

That the owner has not engaged in drug trafficking.

That the owner does not have a history or practice of violating Housing Choice Voucher HQS or applicable Housing Standards.

Upon approval of the Request for Tenancy Approval the voucher becomes suspended, i.e., the expiration date of the voucher is stopped pending the outcome of the unit inspection.

Also, Baltimore County Office of Housing reserves the right to deny a Request for Tenancy Approval or lease renewal on any unit that has had a history of repeated HQS failures, and/or has had a HAP Contract terminate due to abatement.

Release of Information

Baltimore County Office of Housing is required upon request to provide the following information to owner regarding tenants who wish to lease their dwelling unit in accordance with Section 982.307(b).

- **The Family's current address as shown in our records.**

- The name and address of the Landlord at the Family's current and prior address (if known).

C. PAYMENT STANDARD RENT LIMITATIONS

The Gross Rent for a Voucher Program unit shall not exceed the standards of rent reasonableness according to local market conditions that are applicable for such unit on the date of Lease approval. Federal Statute may impose other limitations that shall become effective to maintain compliance.

D. SEPARATE AGREEMENTS

Owners and tenants may execute agreements for services, appliances (other than for range and refrigerator) and other items outside those which are provided under the lease if the agreement is in writing and approved by Baltimore County Office of Housing .

In order for there to be a separate agreement, the tenant must have the option of not utilizing the service, appliance or other item.

Baltimore County Office of Housing is not liable for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

VI. ANNUAL ACTIVITIES

A. REVIEW OF FAMILY CIRCUMSTANCES, RENT, UTILITIES, AND HOUSING QUALITY

All families (includes all adult members) will be required to recertify annually by providing information on income, assets, allowances, deductions and family composition at least annually and in accordance with Section 982.516 of the Federal Regulations. (See Verification Procedures)

- Pursuant to PIH 2016-05, the Baltimore County Office of Housing has adopted a streamlined income determination for any family member with a fixed source of income. Note that the family member may also have non-fixed sources of income, which remain subject to third-party verification. Upon request of the family, the Baltimore County Office of Housing must perform third-party verification of all income sources. Note that this provision pertains only to the verification of sources of income; the Baltimore County Office of Housing must continue to conduct third-party verification of deductions.

The term “fixed-income” includes income from:

- Social Security payments, to include Supplemental Security Income (SSI) and Supplemental Security Disability Insurance (SSDI);
- 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 payments.

The determination will be made by applying a verified cost of living adjustment (COLA) or current rate of interest to the previously verified or adjusted income amount. The COLA or current interest rate applicable to each source of fixed income must be obtained either from a public source or from tenant-provided, third-party generated documentation. In the absence of such verification for any source of fixed income, third-party verification of income amounts must be obtained.

This provision is available for program participants only. The provision is not available for program applicants; in the initial year in which a streamlined income determination is made, the COLA must be applied to a source of income that has been verified previously.

In the initial year of employing a streamlined income determination, the Baltimore County Office of Housing must determine whether a source of income is fixed. The Baltimore County Office of Housing may do this by comparing the amount of income from the source to the amount generated during the prior year. If the amount is the same or if it has changed only as a result of a COLA or due to interest generated on a principal amount that remained otherwise constant, then the source is fixed. The Baltimore County Office of Housing may also make such a determination by requiring a family to identify as to which source(s) of income are fixed. The Baltimore County Office of Housing must document in the tenant file how it made the determination that a source of income is fixed.

For the second income determination involving a family member whose income was adjusted previously using a streamlined income determination, the adjustment would be made to the previously determined income amount (i.e., in year two, the COLA is applied to the year one income amount, as previously adjusted by a COLA). For any family member whose income is determined pursuant to a streamlined income determination, *third-party verification of all income amounts for all family members must be performed at least every three years*. This means that, for the third income determination involving a family member whose income had been adjusted twice using a streamlined income determination, the Baltimore County Office of Housing would need to obtain third-party verification of *all* income amounts. This also means that if a family member with a fixed-income source is added to the family during year two, for example, then the Baltimore County Office of Housing must obtain third-party verification of all income amounts for that

family member at the next reexamination if the Baltimore County Office of Housing wishes to have all family members with fixed incomes on the same schedule with respect to streamlined annual reexaminations.

This annual reexamination of family circumstances is coordinated with the anniversary date and inspection of the premises for continued compliance with Housing Quality Standards (HQS). Annual reexaminations are started 120 days prior to the anniversary date to assure sufficient time to conclude this process.

Notice of annual reexaminations will be sent by first-class mail and will contain the date for responding by returning the Certification Packet along with required documents. An updated Certification form will be included in each packet.

If the family who has a person with disabilities requests a home visit or other form of reasonable accommodation both verification accommodations will be granted upon verification that the accommodation requested meets the need presented by the disability.

An advocate, interpreter, or other assistant may assist the family in the reexamination process. The family must execute a certification attesting to the role and assistance of any such third party.

Families will be asked to submit all required information (as described in the reexamination notice) to the Baltimore County Office of Housing Office. The required information will include a Baltimore County Office of Housing designated reexamination form, an Authorization for the Release of Information/Privacy Act Notice, as well as supporting documentation related to the family's income, expenses, and family composition.

Any required documents or information that the family is unable to provide at the time of receipt of the Annual Recertification Packet must be provided within ten (10) business days of the date of the request.

If the family does not provide the required documents or information within the final deadline, the family will be sent a notice of termination.

Face-to-Face Interviews

In some situations, the Family may require a face-to-face interview with the Housing Office.

Baltimore County Office of Housing will require the family to complete a Personal Declaration Form prior to all face-to-face re-examination interviews.

All adult family members may be required to attend a re-examination interview.

If the family does not appear for the recertification interview, and has not called to reschedule, Baltimore County Office of Housing will automatically reschedule a second appointment.

If the family fails to keep the second appointment, Baltimore County Office of Housing will send the family notice of termination and offer them an informal hearing.

Exceptions to these policies may be made by the supervisor if the family is able to document an emergency or life threatening situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability.

Any required documents or information that the family is unable to provide at the time of the interview must be provided within ten (10) business days of the interview. Exceptions may be made on a case by case basis.

If the family does not provide all of the required documents or information within the required time frame, the family will be sent a notice of termination.

B. INTERIM ADJUSTMENTS OF RENT

Interim adjustments will be conducted, in cases where the tenant's rent will decrease due to the adjustment. An interim will also be conducted in cases where the household income increases from a reported amount equaling zero. Families may request that an interim be performed when a change in earned income or family composition has occurred that would result in an increase to the tenant rent portion.

Pursuant to PIH 2016-05, the Baltimore County Office of Housing will not perform interim reexaminations of income when a new family member over the age of 6 is added. The provision does *not* eliminate the requirement to verify other aspects of program eligibility (e.g., SSNs, criminal history, etc.), nor does it eliminate the requirement to perform annual reexaminations of family income (for example, if that happens to be the point at which a new family member is added); it simply eliminates the requirement to perform an interim reexamination of income whenever a new family member is added.

If the addition of a new family member is under the age of 6 years, in the event the new family member is added at a time other than during a reexamination. Per 24 CFR §5.216(e)(2)(ii)(B), such a family member is to be counted as a member of the assisted household, meaning that the family becomes entitled to the dependent deduction. A full reexamination of income will be required whenever a child under the age of 6 years is added to a family.

Please note that changes reported and verified before the 15th of any month will be processed by the 1st day of the next month. Changes reported and reviewed after the 15th day of any month will be processed by the 1st day of the second month thereafter, retroactive to the 1st of the preceding month. Such changes in Family circumstances would include:

- Receipt or discontinuance of Public Assistance.
- Changes in family composition.
- Employment or loss of employment.
- Receipt of a deferred payment in a lump sum that represents the delayed start of a periodic payment such as Unemployment Compensation and other compensation.
- Changes with the family that will require deductions and allowances to be recalculated.

C. TIMELY REPORTING STANDARDS AND VERIFICATION OF INFORMATION

Participants must report changes within 10 days of the occurrence and must be made in writing. Where feasible, third-party written verification or direct document review shall be the preferred method of verifying Participant information, including Income, value of Assets, Medical Expenses, Child Care Expenses, Family composition, age, Disability, Handicap, Student Status, and displacement status. Third-party oral verification may be used if the client file is documented according to identification of all parties, the date, and the content of the information. All information must be verified as a condition of continued assistance and the Head of Household and all other adult members of the assisted family must sign HUD-approved release forms and consent authorizing private and public agencies to furnish and release required information to Baltimore County Office of Housing. Notarized statement or signed affidavits may be accepted when all other sources have been exhausted.

Decrease in tenant rent will be *effective* the first of the month following the reported decrease.

Increases in tenant rent will be *effective* anniversary date of the contract following the change in family circumstances.

If Baltimore County Office of Housing determines that the tenant has misrepresented the facts, which would result in an increase in tenant rent, at the time of re-certification it shall be computed retroactively to the anniversary date. Depending on the circumstances, the tenant may, at the discretion of Baltimore County Office of Housing, be allowed to enter into a repayment agreement to repay the program for any over assistance.

Baltimore County Office of Housing may not require clients to obtain a court-order awarding legal custody of a child or children residing in one of its program units. In cases where the family has physical custody of a dependent but legal custody has not been established the client will be required to provide a written affidavit from the legal custodial guardian or parent that the child will be in the care and custody of the client. The written affidavit must be notarized by a licensed notary of the state in order to assure the signature is valid.

D. CONTRACT RENT INCREASES BY OWNER

Rent increases are determined in accordance with annual adjustment factors and other provisions of the Regulations as following:

The amount of the monthly rent payable by the Family to the Owner is determined by the provisions of the Lease between the Owner and the Family. The amount of the monthly rent under the Lease may not be increased during the first year of the term of such Lease. The Lease may provide for increase in such monthly rent after the first year of the term, if the Owner gives at least sixty days written notice to the Family and the family agrees to the increase in rent. The family portion of the rent must remain affordable and feasible.

Owners may not request rent increases prior to the expiration of the first term of lease. As of the first anniversary date of the lease, rent increases may be effective with a 60 days notice to the family and a copy to Baltimore County Office of Housing.

Landlords must submit a written request for rent increase to Baltimore County Office of Housing, which may or may not be granted.

E. UTILITIES

Utilities include water, electricity, gas, heating, refrigeration, and cooking fuels, trash collection and sewage services.

Allowances for tenant furnished utilities are reviewed in connection with annual reexaminations. When revisions are made, they are implemented at the time of annual rent adjustments and TTP determinations.

An Allowance for utility consumption as a result of medical equipment use may be considered. A written request must be provided by the participant. Upon approval, the appropriate utility allowance for such equipment will be considered with the total utility consumption.

F. MINIMUM RENT

In accordance with Section 402(a) (1) and (2) of the Continuing Resolution, assisted families may pay a minimum rent as set by Baltimore County Office of Housing by internal procedure. The minimum rent may not exceed \$50.00 per month. The Baltimore County Office of Housing minimum rent is currently \$50.00, however may be changed by procedure to accommodate market conditions.

If Baltimore County Office of Housing establishes a minimum rent greater than zero, Baltimore County Office of Housing must grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of financial hardship.

The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption. If the PHA determines that a hardship exists, the family share is the highest of the remaining components of the family's calculated TTP.

HUD-Defined Financial Hardship

Financial hardship includes the following situations:

(1) The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.

For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following: (1) implementation of assistance, if approved, or (2) the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances.

(2) The family would be evicted because it is unable to pay the minimum rent.

For a family to qualify under this provision, the cause of the potential eviction must

be the family's failure to pay rent to the owner or tenant-paid utilities.

- (3) Family income has decreased because of changed family circumstances, including the loss of employment.
- (4) A death has occurred in the family.

In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income).

- (5) The family has experienced other circumstances determined by Baltimore County Office of Housing.

Implementation of Hardship Exemption

Determination of Hardship

Baltimore County Office of Housing 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.

Example: Impact of Minimum Rent Exemption			
Assume a minimum rent of \$35 has been established.			
Family Share – No Hardship		Family Share – With Hardship	
\$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
\$35	Minimum rent	\$35	Minimum rent
Minimum rent applies.		Hardship exemption granted.	
TTP = \$35		TTP = \$15	

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.

Baltimore County Office of Housing will make the determination of hardship within 30 calendar days.

No Financial Hardship

If Baltimore County Office of Housing determines there is no financial hardship, the housing office will reinstate the minimum rent and require the family to repay the amounts suspended within 30 calendar days of the housing office's notice that a hardship exemption has not been granted.

Temporary Hardship

If the PHA determines that a qualifying financial hardship is temporary, Baltimore County Office of Housing must suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family's request for a hardship exemption.

At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay Baltimore County Office of Housing the amounts suspended. Baltimore County Office of Housing will offer a reasonable repayment agreement, on terms and conditions established by Baltimore County Office of Housing. Baltimore County Office of Housing also may determine that circumstances have changed and the hardship is now a long-term hardship.

Long-Term Hardship

If Baltimore County Office of Housing determines that the financial hardship is long-term, the housing office must exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

The hardship period ends when any of the following circumstances apply:

- (1) At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent.**
- (2) For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a \$60/month child support payment, the hardship will continue to exist until the family receives at least \$60/month in income from another source or once again begins to receive the child support.**
- (3) For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.**

VII. TERMINATIONS AND SECURITY DEPOSITS

Baltimore County Office of Housing may deny or terminate assistance if an applicant or participant:

- **Violated any of the "Family Obligations" under the Voucher Program.**
- **Serious violation of the Lease. Provisions under the Violence Against Women Act will be utilized should the family seek protection under the law and rule.**
- **Committed any fraud or misrepresentation in connection with any Federal Housing Assistance Program.**
- **Defaulted on a repayment agreement.**
- **If the participant's TTP is sufficient to pay full gross rent and six (6) months of zero assistance has elapsed since the last HAP was made.**

A. INFORMAL HEARINGS

If Baltimore County Office of Housing refuses to reissue a Voucher, the tenant will be notified in writing and offered an opportunity for an informal hearing and hold the hearing, if requested, prior to the denial or termination of the assistance, except in cases where the tenant has the ability to pay full contract rent and has completed a six month period with no assistance.

Informal hearings will also be conducted if requested by the participant regarding disputed rent calculations, the appropriate utility allowance and required unit size. The results of the hearing will be forwarded to Baltimore County Office of Housing & the participant.

Participants may review all pertinent records held by Baltimore County Office of Housing; Baltimore County Office of Housing also has the right to review all pertinent records held by the participant prior to the hearing.

B. OWNER ACTIONS, FRAUD, MISREPRESENTATION, OR BREACH OF CONTRACT

If the landlord has committed fraud, misrepresentation or other breach of the Housing Assistance Payments Contract or Voucher Contract in connection with the Housing Choice Voucher Program, Baltimore County Office of Housing will terminate the Contract and review the circumstances and family's involvement to determine if the family is eligible for re-certification to relocate to another unit with continuation of assistance. Actions such as those listed above, failure to abide by program and lease requirements, disrespectful treatment and/or harassment towards staff may be grounds for denial of program participation.

C. FAMILY MOVES

Participants who are in compliance with all regulations and who wish to move to another unit must put their request in writing prior to issuance of a new Voucher. This notice must be forwarded to the Landlord and Baltimore County Office of Housing.

Allowable Moves

- If the family and the owner mutually agree to terminate the lease for the family's unit, the family must give Baltimore County Office of Housing a copy of the termination agreement.
- The owner has given the family a notice to vacate, has commenced an action to evict the family, or has obtained a court judgment or other process allowing the owner to evict the family [24 CFR 982.314(b)(2)]. The family must give Baltimore County Office of Housing a copy of any owner eviction notice [24 CFR 982.551(g)].
- Baltimore County Office of Housing has terminated the assisted lease for the family's unit for the owner's breach [24 CFR 982.314(b)(1)(i)].
- Baltimore County Office of Housing determines that the family's current unit does not meet the HQS space standards because of an increase in family size or a change in family composition. In such cases, the Baltimore County Office of Housing must issue the family a new voucher, and the family and Baltimore County Office of Housing must try to find an acceptable unit as soon as possible. If an acceptable unit is available for the family, Baltimore County Office of Housing must terminate the HAP contract for the family's old unit in accordance with the HAP contract terms and must notify both the family and the owner of the termination. The HAP contract terminates at the end of the calendar month that follows the calendar month in which Baltimore County Office of Housing gives notice to the owner. [24 CFR 982.403(a) and (c)]
- Baltimore County Office of Housing will not terminate assistance if the family, with or without prior notification to Baltimore County Office of Housing, already moved out of a unit in violation of the lease, if such move occurred to protect the health or safety of a family who is or has been the victim of domestic violence, dating violence or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remain in the dwelling unit.

If the family moves to another area, the notice must specify where the family wants to move.

Participants, who rescind their action to move with the Landlord's Agreement, may continue leasing where they are currently living, and the Housing Assistance Payment will continue to be paid to the landlord.

Participants who execute a family move are advised that issuance of a new Voucher for moving does not preclude them from being responsible for unpaid rent and for damages. Should information be received during the issuance period that the family is not compliant with obligations; any Request for Tenancy Approval will be delayed until a continued eligibility determination and related hearing are completed.

Both assisted households and the Landlord must be notified when the family must move due to a change in the family's composition that changes the subsidy for which they qualify.

Insufficient Funding

Baltimore County Office of Housing may deny a family permission to move if Baltimore County Office of Housing does not have sufficient funding for continued assistance [24 CFR 982.314(e)(1)].

Baltimore County Office of Housing will deny a family permission to move on grounds that the Baltimore County Office of Housing does not have sufficient funding for continued assistance if (a) Baltimore County Office of Housing can demonstrate that the move will, in fact, result in higher subsidy costs; and (b) Baltimore County Office of Housing can demonstrate that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs. This policy applies to moves within the Baltimore County Office of Housing jurisdiction as well as to moves outside it under portability.

Baltimore County Office of Housing, prior to denying a portability move because it does not have sufficient funding, will contact the receiving PHA and confirm that the receiving PHA will not absorb the family. If the receiving PHA will absorb the family, the CHA will approve the move under portability.

If Baltimore County Office of Housing denies a move under portability because it does not have sufficient funding, Baltimore County Office of Housing will promptly notify the family (assuming the family is still a participant in the Baltimore County Office of Housing HCV program) once there is sufficient funding to support the family's move.

D. FAMILY BREAK-UP

Upon break-up of the family, Baltimore County Office of Housing will determine which family member (s) will retain the Housing Choice Voucher assistance. The factors which will be considered in making this decision are:

- The household member(s) remaining in the assisted unit.**

- **The interest of minor children or of ill, elderly or disabled family members.**
- **Whether family members were forced to leave the unit as a result of actual or threatened physical violence against those family members.**
- **Court determination of which family member(s) will retain housing assistance in cases of divorce or separation.**

E. EVICTIONS

The owner may evict in accordance with Federal Regulations or may institute court action, using the grounds for eviction available through Maryland State Law, or the owner may obtain a signed mutual termination agreement. The housing assistance payment is terminated when the lease is terminated by the owner.

Notice of the eviction must be given to Baltimore County Office of Housing either by the family or the owner.

F. ABSENCES FROM UNIT

Participants may be absent from the unit for a consecutive period of time not to exceed two (2) weeks out of a month, without having their Housing assistance interrupted or terminated.

G. SECURITY DEPOSITS

All owners entering into a HAP contract on or after October 2, 1995 may collect a Security Deposit in accordance with CFR Section 982.313 (a). It must be placed in an account that complies with Maryland State Law. Baltimore County Office of Housing will not impose any limit on the owner Security Deposit providing that the deposit amount does not exceed the private market practices or security deposits collected for the owner's unassisted units.

If a family vacates its unit, the owner, subject to State and local law, may use the Security Deposit as reimbursement for any unpaid family contribution or other amounts owed under the lease.

VIII. REPAYMENT AGREEMENTS

A. USE OF REPAYMENT AGREEMENTS

If it is determined an applicant or participant owes money to Baltimore County Office of Housing (or another PHA) a Promissory Note in the form of a Repayment Agreement may be executed by the participant or applicant with the Baltimore County Office of Housing to permit payback of a debt over a specified period of time.

Repayment Agreements may be executed for, but are not limited to, the following circumstances:

- **failure to report changes in income or family size that results in overpayment of assistance.**

Participants owing money must be notified of their liability and informed that they may be required to enter into a Repayment Agreement as a condition of continued assistance.

Payment amounts should be affordable for the participant or applicant and for a specified term not to exceed 12 months unless extended by the Executive Director.

If an applicant or participant has signed a Repayment Agreement with Baltimore County Office of Housing (or any other PHA) and they breach the agreement, Baltimore County Office of Housing may deny or terminate assistance.

IX. FINANCIAL MANAGEMENT/REPORTING REQUIREMENTS

A. THE HOUSING ASSISTANCE PAYMENT (HAP) REGISTER

Baltimore County Office of Housing will keep a HAP register for each tenant with the required information as attached.

The HAP Register will be kept up-to-date with all initial payments and subsequent changes entered.

B. MONITORING PROGRAM PERFORMANCE

To ensure quality control Baltimore County Office of Housing will conduct monthly monitoring review of all Housing Choice Voucher Programs, activities, which may include the following:

- 1. Review of Waiting List**
- 2. Audit of Files**
- 3. File Count**
- 4. Bi-Weekly Review of HAP Register**
- 5. Review of Financial Records**
- 6. Review of Monthly Utilization Reports**
- 7. Sample Review of Housing Quality Standards**

Baltimore County Office of Housing will closely monitor the Administrative Fee Reserve to ascertain that ongoing administrative fees are sufficient to cover ongoing administrative expenses. Proposed expenditures not in accordance with the approved budget require prior approval for a budget amendment by the Director of Health and Human Services and the Office of Budget and Finance for Baltimore County.

C. HUD REGULATORY AMENDMENTS

Revisions to existing program regulations will be automatically incorporated in this plan subsequent to its effective date. Special rules for use of available funds will be followed when HUD provides funding for a special purpose.

c. PAYMENT STANDARD

The Baltimore County Office of Housing determines the amount of subsidy a family will receive but does not limit the rent charged by the owner.

The maximum subsidy calculation is done at the time a family is issued a Housing Voucher.

Establishing the maximum subsidy enables the family to “shop” for housing.

The actual Baltimore County Office of Housing subsidy can be calculated only after the family has selected a specific unit and the gross rent for the unit is known.

The family may pay more or less than 30% of monthly adjusted income for rent and utilities.

The standards will be reviewed annually.

Adjustments to the payment standards will be made when required due to economic reasons and/or due to an adjustment in the areas Fair Market Rents. In an effort to allow flexibility, the payment standards will be set in accordance with federal regulations between 90% and 110% of the current Fair Market Rent. The factors in determining the standards will largely be affected by market conditions and trends. Baltimore County Office of Housing reserves the right to establish standards by Census Tract, if applicable and warranted, to encourage de-concentration and enhanced choice.

The payment standard used for a family at regular reexamination will not be less than the applicable standard previously used unless the family's size or composition increases or decreases in accordance with Baltimore County Office of Housing occupancy standards.

d. EXCEPTION PAYMENT STANDARDS FOR PROVIDING REASONABLE ACCOMMODATION

Pursuant PIH 2016-05, the Baltimore County Office of Housing may approve a payment standard of not more than 120 percent of the FMR without HUD approval if requested as a reasonable accommodation by a family that includes a person with a disability.

The Baltimore County Office of Housing must maintain documentation that shows:

- **A rent reasonableness analysis was conducted in accordance with the HCV program regulations at 24 CFR 982.507;**
- **The family requested lease approval for the unit and requested an exception payment standard as a reasonable accommodation; and**
- **The unit has features that meet the needs of a family member with disabilities. For example, a unit may be suitable because of its physical features or for other reasons, such as having the requisite number of bedrooms, location on an accessible transit route, or proximity to accessible employment, education, services, or recreation.**

The family must submit a request for a reasonable accommodation in writing and/or include supporting documentation, for example from a medical professional.

REVISED GLOSSARY

ABSORPTION- In portability, the point at which a receiving HA stops billing the initial HA for assistance on behalf of a portability family. The receiving HA uses funds available under the receiving HA consolidated ACC.

ACC - Annual contributions contract.

ACC RESERVE ACCOUNT (Formerly Project Reserve) - Account established by HUD from amounts by which the maximum payment to the HA under the consolidated ACC (during an HA fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

ADJUSTED INCOME - Annual Income less the following allowances, determined in accordance with HUD instructions:

- (a) \$480 for each Dependent;
- (b) \$400 for any Elderly Family;
- (c) For any Family that is not an Elderly Family but has a Handicapped or Disabled member other than the head of household or spouse, Handicapped Assistance Expenses in excess of three percent of Annual Income, but this allowance may not exceed the employment income received by Family members who are 18 years of age or older as a result of the assistance to the Handicapped or Disabled Person;
- (d) For any Elderly Family
 - (1) That has no Handicapped Assistance Expenses, an allowance for Medical Expenses equal to the amount by which the Medical Expenses exceed three percent of Annual Income;
 - (2) That has Handicapped Assistance Expenses greater than or equal to three percent of Annual Income, an allowance for Handicapped Assistance Expenses computed in accordance with paragraph (c) this section, plus an allowance for Medical Expenses that is equal to the Families Medical Expenses;
 - (3) That has Handicapped Assistance Expenses that are less than three percent of Annual Income, an allowance for combined Handicapped Assistance Expenses and Medical Expenses that is equal to the amount by which the sum of these expenses exceeds three percent of Annual Income; and
- (e) (1) Child care expenses; or
 - (2) in the case of families assisted by Indian housing authorities, the greater of
 - (i) child care expenses, or
 - (ii) excessive travel expenses, not to exceed \$25 per family per week, for employment or education related travel.

ADMINISTRATIVE FEE - Fee paid by HUD to the HA for administration of the program.

ADMINISTRATIVE FEE RESERVE (Formerly Operating Reserve) - Account established by HA from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

- (a) **The HA must maintain an administrative fee reserve (formerly operating reserve) for the program. There are separate administrative fee reserve accounts for the HA's voucher programs. The HA must credit to the administrative fee reserve the total of:**
 - (1) **The Amount by which program administrative fees paid by HUD for an HA fiscal year exceed the HA program administrative expenses for the fiscal year; plus**
 - (2) **Interest earned on the administrative fee reserve.**
- (b) (1) **The HA must use funds in the administrative fee reserve to pay program administrative expenses in excess of administrative fees paid by HUD for an HA fiscal year. If funds in the administrative fee reserve are not needed to cover HA administrative expenses (to the end of the last expiring funding increment under the consolidated ACC), the HA may use these funds for other housing purposes permitted by State and local law. However, HUD may prohibit use of the funds for certain purposes.**
- (2) **The HA Board of Commissioners or other authorized officials must establish the maximum amount that may be charged against the administrative fee reserve without specific approval.**
- (3) **If the HA has not adequately administered any Housing Choice Voucher program, HUD may prohibit use of funds in the administrative fee reserve, and may direct the HA to use funds in the reserve to improve administration of the program or to reimburse ineligible expenses.**

ADMINISTRATIVE PLAN - The administrative plan described HA policies for administration of the tenant-based programs.

- (a) **The HA must adopt a written administrative plan that establishes local policies for administration of the program in accordance with HUD requirements. The administrative plan and any revisions of the plan must be formally adopted by the HA Board of Commissioners or other authorized HA officials. The administrative plan states HA policy on matters for which the HA has discretion to establish local policies.**
- (b) **The administrative plan must be in accordance with HUD regulations and other requirements. The HA must review the administrative plan if needed to comply with HUD requirements. The HA must give HUD a copy of the administrative plan.**
- (c) **The HA must administer the program in accordance with the HA administrative plan.**
- (d) **The HA administrative plan must cover HA policies on these subjects:**
 - (1) **How the HA selects applicants from the HA waiting list, including applicants with federal and other preferences, and procedures for closing and reopening the HA waiting list;**
 - (2) **Issuing or denying vouchers, including HA policy governing the voucher term and any extensions or suspension of the term. Suspension means stopping the clock on the term of a families voucher after the family submits a request for lease approval. If the HA decides to allow extensions or suspensions of the voucher term, the HA administrative plan must describe how the HA determines whether to grant extensions or suspensions, and how the HA determines the length of any extension or suspension;**

- (3) Any special rules for use of available funds when HUD provides funding to the HA for a special purpose (e.g., desegregation), including funding for specified families or a specified category of families;
- (4) Occupancy policies, including:
 - (i) Definition of what group of persons may qualify as a family;
 - (ii) Definition of when a family is considered to be continuously assisted
- (5) Encouraging participation by owners of suitable units located outside areas of low income or minority concentration;
- (6) Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit;
- (7) A statement of the HA policy on providing information about a family to prospective owners;
- (8) Disapproval of owners;
- (9) Subsidy standards;
- (10) Family absence from the dwelling unit;
- (11) How to determine who remains in the program if a family breaks up;
- (12) Informal review procedures for applicants;
- (13) Informal hearing procedures for participants;
- (14) For the voucher program: the process for establishing and revising payment standards, including affordability adjustments;
- (15) Special policies concerning special housing types in the program (e.g., use of shared housing); and
- (16) Policies concerning payment by a family to the HA of amounts the family owes the HA.

ADMISSION - The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

ANNUAL CONTRIBUTIONS CONTRACT (ACC) - A written contract between HUD and an HA. Under the contract HUD agrees to provide funding for operation of the program, and the HA agrees to comply with HUD requirements for the program.

ANNUAL INCOME:

- (a) Annual Income is the anticipated total income from all sources received by the Family head and spouse (even if temporarily absent) and by each additional member of the Family, including all net income derived from assets for the 12-month period following the effective date of certification of income, exclusive of certain types of income as provided in paragraph (c) of this section.
- (b) Annual Income includes, but is not limited to:
 - (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
 - (2) The net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets

used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the Family;

- (3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the Family. Where the Family has Net Family Assets in excess of \$5,000, Annual Income shall include the greater of the actual income derived from all Net Family Assets or a percentage of the value of such Assets based on the current passbook savings rate, as determined by HUD;
- (4) The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment (but see paragraph (c)(13) of this section);
- (5) Payments in lieu of earnings, such as unemployment and disability compensation, workers compensation and severance pay (but see paragraph (c)(3) of this section);
- (6) Welfare Assistance. If the Welfare Assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the Welfare Assistance agency in accordance with the actual cost of shelter and utilities, the amount of Welfare Assistance income to be included as income shall consist of:
 - (i) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus
 - (ii) The maximum amount that the Welfare Assistance agency could in fact allow the Family for shelter and utilities. If the Family's Welfare Assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph (b)(6)(ii) shall be the amount resulting from one application of the percentage;
- (7) Periodic and determinable allowances, such as alimony and the court ordered annual or voluntarily provided child support payments, and regular contributions or gifts received from persons not residing in the dwelling;
- (8) All regular pay, special pay and allowances of a member of the Armed Forces (but see paragraph (c)(7) of this section); and

(c) Annual income does not include the following:

- (1) Income from employment of children (including foster children) under the age of 18 years;**
- (2) Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the tenant family, who are unable to live alone);**
- (3) Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and Worker's compensation), capital gains and settlement for personal or property losses (but see paragraph (b)(5) of this section);**
- (4) Amounts received by the Family, that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;**
- (5) Income of a live-in Aide. A person who resides with an Elderly, Disabled, or Handicapped Person or Persons and who--**
 - (a) Is determined to be essential to the care and well being of the Person(s);**
 - (a) Is not obligated for the support of the Person(s); and**
 - (c) Would not be living in the unit except to provide the necessary supportive services.**
- (6) The full amount of student financial assistance paid directly to the student or to the educational institution;**
- (7) The special pay to a Family member serving in the Armed Forces who is exposed to hostile fire;**
- (8)**
 - (i) Amounts received under training programs funded by HUD;**
 - (ii) Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);**
 - (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;**
 - (iv) A resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No Resident may receive more than one such stipend during the same period of time; or**
 - (v) Compensation from State or local employment training programs and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance;**
- (9) Temporary, nonrecurring or sporadic income (including gifts);**
- (10) For all initial determinations and reexaminations of income carried out on or after April 23, 1993, reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;**

- (11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
 - (12) Adoption assistance payments in excess of \$480 per adopted child;
 - (13) Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment.
 - (14) Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;
 - (15) Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
 - (16) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. A notice will be published in the FEDERAL REGISTER and distributed to Baltimore County Office of Housing's and owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.
- (d) If it is not feasible to anticipate a level of income over a 12-month period, the income anticipated for a shorter period may be annualized, subject to a re-determination at the end of the shorter period.
- (e) Any family receiving the reparation payments referred to in paragraph (c)(10) of this section that has been requested to repay assistance under this chapter as a result of receipt of such payments shall not be required to make further repayments on or after April 23, 1993.

APPLICANT (Applicant Family) - A family that has applied for admission to a program, but is not yet a participant in the program.

BUDGET AUTHORITY - An amount authorized and appropriated by the Congress for payment to HA's under the program. For each funding increment in an HA program, budget Authority is the maximum amount that may be paid by HUD to the HA over the ACC term of the funding increment.

CO-HABITANTS - Two (2) or more persons of the opposite sex who, at the time of application, have been living together as a family in a stable relationship.

CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT (Consolidated ACC)

(a) NATURE OF ACC

- (1) An annual contributions contract (ACC) is a written contract between HUD and an HA. Under the ACC, HUD agrees to make payments to the HA, over a specified term, for housing assistance payments to owners and for the HA administrative fee. The ACC specifies the maximum annual payment by HUD, and the maximum payment over the ACC term. The HA agrees to administer the program in accordance with HUD regulations and requirements.
- (2) HUD's commitment to make payments for each funding increment in the HA program constitutes a separate ACC. However, commitments for all the

funding increments in an HA program are listed in one consolidated contractual document called the consolidated annual contributions contract (consolidated ACC). A single consolidated ACC covers funding for the HA voucher program.

(b) BUDGET AUTHORITY AND CONTRACT AUTHORITY

- (1) Budget authority is the maximum amount that may be paid by HUD to an HA over the ACC term of a funding increment. Contract authority is the maximum annual payment for the funding increment. Budget authority for a funding increment is equal to contract authority times the number of years in the increment term. Before adding a funding increment to the consolidated ACC for an HA program, HUD reserves budget authority from amounts authorized and appropriated by the Congress for the program.**

- (2) For each funding increment, the ACC specifies the initial term over which HUD will make payments for the HA program, and the contract authority and budget authority for the funding increment. For a given HA fiscal year, the amount of HUD's maximum annual payment for the HA program equals the sum of the contract Authority for all of the funding increments under the consolidated ACC. However, this maximum amount does not include contract authority for an expired funding increment. If the term of a funding increment expires during the HA fiscal year, this maximum amount only includes the pro-rata portion of contract authority for the portion of the HA fiscal year prior to expiration. (Additional payments may be made from the ACC reserve account described in 982.154.) However, the amount to be paid must be approved by HUD, and may be less than the maximum payment.**

CONTIGUOUS MSA - In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial HA is located.

CONTINUOUSLY ASSISTED - An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act Program when the family is admitted to the voucher program.

CONTRACT AUTHORITY - The maximum annual payment by HUD to an HA for a funding increment.

DISABLED PERSON - A person who is under a disability as defined in section 223 of the Social Security Act (42 U.S.C. 423), or who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

DISPLACED PERSON - A person or family displaced by government action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws, defined as follows:

- (a) A definite and final order requiring demolition, closing or improvement and allowing no alternative must have been issued by the appropriate authority.**

- (b) **The person or family must live in the dwelling at the time of the order is entered or at the time of damage or disaster. In the event a unit becomes occupied subsequent to its having been vacated by a person or by a family entitled to preference, such new occupant shall not also be entitled to preference, even though it may become necessary to serve him with an official notice to vacate.**

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

DRUG-RELATED CRIMINAL ACTIVITY - Term means:

- (1) **Drug-trafficking; or**
- (2) **Illegal use, or possession for personal use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).**

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

ELDERLY FAMILY - A Family whose Head of Household or Spouse or whose sole member is:

- (1) **At least 62 years old,**
- (2) **A Disabled Person, or**
- (3) **A Handicapped Person as defined in this section, and may include two or more elderly (at least 62 years old), Disabled or Handicapped Person living together, or one or more such persons living with another person who is determined to be essential to his or her care and well being.**

ELDERLY PERSON - A person who is at least 62 years of age.

ELIGIBILITY- Term means:

(a) **WHEN APPLICANT IS ELIGIBLE: GENERAL - The HA may only admit an eligible family to a program. To be eligible, the applicant must be a family, must be income-eligible, and must be a citizen or a non-citizen who has eligible immigration status as determined in accordance with 24 CFR part 5.**

(b) **INCOME**

(1) **To be income eligible, the family must be either:**

- (i) **A very low-income family; or**
- (ii) **A low-income family in any of the following categories:**
 - (A) **A low-income family that is continuously assisted under the 1937 Housing Act.**
 - (B) **A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.**
 - (C) **A low-income non-purchasing family residing in a HOPE 1 (HOPE for Public and Indian Housing Homeownership) or HOPE 2 (HOPE for Homeownership of Multifamily Units) project.**

- (D) A low-income non-purchasing family residing in a project subject to a homeownership program under 24 CFR 248.173.
 - (E) A low-income family displaced as a result of the prepayment of a mortgage or voluntary termination of mortgage insurance contract under 24 CFR 248.165.
 - (F) For the voucher program only, a low-income family residing in a HUD-owned multifamily rental housing project when HUD sells, forecloses or demolishes the project.
- (2) The HA determines whether the family is income-eligible by comparing the family's annual income (gross income) with the HUD-established very low-income limit or low-income limit for the area. The applicable income limit for issuance of a voucher when a family is selected for the program is the highest income limit (for the family unit size) for areas in the HA jurisdiction. The applicable income limit for admission to the program is the income limit for the area where the family is initially assisted in the program. The family may only use the voucher to rent a unit in an area where the family is income eligible at admission to the program.

(c) FAMILY COMPOSITION

- (1) A family may be a single person or a group of persons.
- (2) A family includes a family with a child or children.
- (3) A group of persons consisting of two or more elderly persons or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides is a family. The HA determines if any other group of persons qualifies as a family.
- (4) A single person family may be:
 - (i) An elderly person.
 - (ii) A displaced person.
 - (iii) A disabled person.
 - (iv) Any other single person.
- (5) A child who is temporarily away from the home because of placement in foster care is considered a member of the family.

(d) CONTINUOUSLY ASSISTED

- (1) An applicant is continuously assisted under the 1937 Housing Act if this family is already receiving assistance under any 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the certificate or voucher program.
- (2) The HA must establish policies concerning whether and to what extent a brief interruption between assistance under one of these programs and admission to the certificate or voucher program

will be considered to break continuity of assistance under the 1937 Housing Act.

EXCEPTION RENT - In the certificate program, an initial rent (contract rent plus any utility allowance) in excess of the published FMR. In the certificate program, the exception rent is approved by HUD, and is used in determining the initial contract rent. In the voucher program, the HA may adopt a payment standard up to the exception rent limit approved by HUD for the HA certificate program.

FAIR MARKET RENT (FMR) - The rent, including the cost of utilities (except telephone), that would be required to be paid in the housing market area to obtain privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Fair market rents for existing housing are established by HUD for housing units of varying sizes (number of bedrooms), and are published in the FEDERAL REGISTER in accordance with 24 CFR part 888 as follows.

FAMILY -

- (1) A family may be a single person or a group of persons.
- (2) A family includes a family with a child or children.
- (3) A group of persons consisting of two or more elderly persons or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides is a family. The HA determines if any other group of persons qualifies as a family.
- (4) A single person family may be:
 - (a) An elderly person.
 - (b) A displaced person.
 - (c) A disabled person.
 - (d) Any other single person.

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM) - The program established by an HA to promote self-sufficiency of assisted families, including the provision of supportive services (42 U.S.C. 1437u).

FAMILY UNIT SIZE - The appropriate number of bedrooms for a family. Family unit size is determined by the HA under the HA subsidy standards.

FMR - Fair market rent.

FMR/EXCEPTION RENT LIMIT - The Housing Choice Voucher existing housing fair market rent published by HUD Headquarters, or any exception rent. In the certificate program, the initial contract rent for a dwelling unit plus any utility allowance may not exceed the FMR/exception rent limit (for the dwelling unit or for the family unit size). In the voucher program, the HA may adopt a payment standard up the FMR/exception rent limit.

FSS PROGRAM - Family self-sufficiency program.

FUNDING INCREMENT - Each commitment of budget authority by HUD to an HA under the consolidated annual contributions contract for the HA program.

HA - Housing Agency.

HANDICAPPED ASSISTANCE EXPENSES - Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a Handicapped or Disabled Family member, and that are necessary to enable a Family member (including the Handicapped or Disabled member) to be employed, provided that the expenses are neither paid to a member of the Family nor reimbursed by an outside source.

HANDICAPPED PERSON - A person having a physical or mental impairment that:

- (a) Is expected to be of a long-continued and indefinite duration,
- (b) Substantially impedes his or her ability to live independently, and
- (c) Is of such a nature that such ability could be improved by more suitable housing conditions.

HAP CONTRACT - Housing assistance payments contract.

HOUSING AGENCY (HA) - A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing, including an Indian housing authority (IHA). (Baltimore County Office of Housing and HA mean the same thing.)

HOUSING ASSISTANCE PAYMENT - The monthly assistance payment by an HA. The total assistance payment consists of:

- (1) A payment to the owner for rent to owner under the family's lease.
- (2) An additional payment to the family if the total assistance payment exceeds the rent to owner. In the certificate program, the additional payment is called a utility reimbursement.

HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP CONTRACT) - A written contract between an HA and an owner, in the form prescribed by HUD headquarters, in which the HA agrees to make housing assistance payments to the owner on behalf of an eligible family.

HOUSING QUALITY STANDARDS (HQS) - The HUD minimum quality standards for housing assisted under the tenant-based programs. See 24 CFR 982.401 for specifics.

HQS - Housing Quality Standards.

HUD REQUIREMENTS - HUD requirements for the Housing Choice Voucher programs. HUD requirements are issued by HUD headquarters, as regulations, FEDERAL REGISTER notices or other binding program directives.

IHA - Indian housing authority.

INDIAN - Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any State.

INDIAN HOUSING AUTHORITY (IHA) - A housing agency established either:

- (1) By exercise of the power of self-government of an Indian Tribe, independent of State law; or**
- (2) By operation of State law providing specifically for housing authorities for Indians.**

INITIAL CONTRACT RENT -In the certificate program, the contract rent at the beginning of the initial lease term.

INITIAL HA - In portability, the term refers to both:

- (1) An HA that originally selected a family that subsequently decides to move out of the jurisdiction of the selecting HA.**
- (2) An HA that absorbed a family that subsequently decides to move out of the jurisdiction of the selecting HA.**

INITIAL LEASE TERM - The initial term of the assisted lease. The initial lease term must be for at least one year.

INITIAL RENT TO OWNER - The rent to owner at the beginning of the initial lease term.

JURISDICTION - The area in which the HA has authority under State and local law to administer the program.

LEASE:

- (1) A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP Contract between the owner and the HA.**
- (2) In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement establishes the conditions for occupancy of the members cooperative dwelling unit by the members**

family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the HA. For purposes of part 982, the cooperative is the Housing Choice Voucher owner of the unit, and the cooperative member is the Housing Choice Voucher tenant.

LEASE ADDENDUM -In the lease between the tenant and the owner, the lease language required by HUD.

LIVE-IN AIDE -A person who resides with an Elderly, Disabled, or Handicapped Person or Persons and who:

- (a) Is determined to be essential to the care and well-being of the Person(s);**
- (b) Is not obligated for the support of the Person(s); and**
- (c) Would not be living in the unit except to provide the necessary supportive services.**

LOW-INCOME FAMILY -A Family who's Annual Income does not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes. 24 CFR Section 982.201(b) described when a low-income family is income-eligible for admission to the certificate or voucher program).

MSA - Metropolitan statistical area.

1937 HOUSING ACT -The United States Housing Act of 1937 (42 U.S.C. 1437 and following sections). The HUD tenant-based program is authorized by Housing Choice Voucher of the 1937 Housing Act (42 U.S.C. 1437f).

1937 HOUSING ACT PROGRAM - Any of the following programs:

- (1) The public housing program or Indian housing program.**
- (2) Any program assisted under Housing Choice Voucher of the 1937 Act (42 U.S.C. 1437f) (including assistance under a Housing Choice Voucher tenant-based or project-based program).**
- (3) The Section 23 leased housing program.**
- (4) The Section 23 housing assistance payments program. (Section 23 means Section 23 of the United States Housing Act of 1937 before enactment of the Housing and Community Development Act of 1974.)**

NOFA - Notice of funding availability.

NOTICE OF FUNDING AVAILABILITY (NOFA) - For funding (contract or budget authority) that HUD distributes by competitive process, HUD headquarters invites HA applications by publishing a NOFA in the FEDERAL REGISTER.

The NOFA explains how to apply for assistance, and the criteria for awarding the funding.

OPERATING RESERVE - Administrative fee reserve.

OWNER - Any person or entity with the legal right to lease or sublease a unit to a participant.

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

PAYMENT STANDARD - In the voucher program, an amount used by the HA to calculate the housing assistance payment for a family. Each payment standard amount is based on the fair market rent. The HA adopts a payment standard for each bedroom size and for each fair market rent area in the HA jurisdiction. The payment standard for a family is the maximum monthly subsidy payment.

PBC - Project-based certificate program.

PERSON WITH DISABILITIES (Disabled Person) - A person who is under a disability as defined in section 223 of the Social Security Act (42 U.S.C. 423), or who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

Baltimore County Office of Housing - Public Housing Agency. (Public housing agency and housing agency have the same meaning.) A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing, including an Indian housing authority (IHA). (Baltimore County Office of Housing and HA mean the same thing.)

PORTABILITY - Renting a dwelling unit with Housing Choice Voucher tenant-based assistance outside the jurisdiction of the initial HA.

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

PROGRAM - The tenant-based certificate program or voucher program.

PROJECT-BASED - Rental assistance that is attached to the structure.

PROJECT BASED CERTIFICATE PROGRAM (PBC) - Project based assistance under 24 CFR part 983, using funding under the consolidated ACC for the HA certificate program.

PROJECT RESERVE - ACC reserve account.

- (a) (1) HUD establishes an un-funded reserve account, called the ACC reserve account (formerly project reserve), for the HA's program. There are separate ACC reserve accounts for the HA's certificate and voucher programs. The ACC reserve account is established and maintained in the amount determined by HUD.
 - (2) At the end of each HA fiscal year, HUD credits the ACC reserve account from the amount by which the sum of contract authority for all funding increments under the consolidated ACC (maximum annual payment) exceeds the amount actually approved and paid for the HA fiscal year. However, the maximum annual payment does not include contract authority for an expired funding increment. If the term of a funding increment expires during the HA fiscal year, this maximum amount only includes the pro-rata portion of contract Authority for the funding increment covering the portion of the HA fiscal year prior to expiration.
- (b) HUD may approve additional payments for the HA program from available amounts in the ACC reserve account.

PUBLIC HOUSING AGENCY (Baltimore County Office of Housing) - A Housing Agency (HA).

REASONABLE RENT - A rent to owner that is not more than either:

- (1) Rent charged for comparable units in the private unassisted market; or
- (2) Rent charged by the owner for a comparable assisted or unassisted unit in the building or premises.

RECEIVING HA -In portability, an HA that receives a family selected for participation in the tenant-based program of another HA. The receiving HA issues a certificate or voucher, and provides program assistance to the family.

RENTAL CERTIFICATE - Certificate.

RENTAL CERTIFICATE PROGRAM - Certificate program.

RENTAL VOUCHER - Voucher.

RENTAL VOUCHER PROGRAM - Voucher Program.

RENT TO OWNER - The monthly rent payable to the owner under the lease. Rent to owner includes payment for any services, maintenance and utilities to be provided by the owner in accordance with the lease.

SPECIAL ADMISSION - Admission of an applicant that is not on the HA waiting list, or without considering the applicant's waiting list position.

SUBSIDY STANDARDS - Standards established by an HA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions. See definition of family unit size.

SUSPENSION - Stopping the clock on the term of a family's certificate or voucher, for such period as determined by the HA, from the time when the family submits a request for HA approval to lease a unit, until the time when the HA approves or denies the request.

TENANT - The person or persons (other than a live-in aide) who executes the lease as leases of the dwelling unit.

TENANT-BASED - Rental assistance that is not attached to the structure.

TENANT RENT -In the certificate program, total tenant payment minus any utility allowance.

TOTAL TENANT PAYMENT -The portion of the Gross Rent payable by an eligible Family participating in a program covered by this part, determined in accordance with the following:

Total tenant payment for families whose initial lease is effective on or after August 1, 1982. Total Tenant payment shall be the highest of the following, rounded to the nearest dollar:

- (1) 30 percent of Monthly Adjusted Income;
- (2) 10 percent of Monthly Income; or
- (3) If the Family receives Welfare Assistance from a public agency and a part of such payments, adjusted in accordance with the Family's actual housing costs, is specifically designed by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated. If the Family's Welfare Assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph (a)(3) shall be the amount resulting from one application of the percentage.

UNIT - Dwelling unit.

UNITED STATE HOUSING ACT OF 1937 (1937 Housing Act) - The basic law that authorizes the public and Indian housing programs, and the Housing Choice Voucher programs. (42 U.S.C. 1437 and following sections.)

UTILITY ALLOWANCE - If the cost of utilities (except telephone) and other housing serving for an assisted unit is not included in the Contract Rent but is the responsibility of the Family occupying the unit, an amount equal to the estimate made or approved by a Baltimore County Office of Housing or HUD under applicable sections of these regulations of the monthly costs of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary and healthful living environment. (In the case of shared housing, the amount of the Utility Allowance for an assisted Family is calculated by multiplying the Utility Allowance for the entire unit by the ratio derived by dividing the number of bedrooms in the Assisted Family's private space by the number of bedrooms in the entire unit. In the case of an assisted individual sharing a one-bedroom unit with another person, the amount of the Utility Allowance for the assisted individual is one-half of the Utility Allowance for the entire unit).

UTILITY REIMBURSEMENT - In the certificate program, the amount, if any, by which any utility allowance for family-paid utilities or other housing services exceeds the total tenant payment.

VERY LOW-INCOME FAMILY - A Low-Income Family whose Annual Income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50 percent of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

VIOLENT CRIMINAL ACTIVITY - Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

VOUCHER (Rental Voucher) - A document issued by an HA to a family selected for admission to the voucher program. The voucher describes the program and the procedures for HA approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

VOUCHER PROGRAM - Rental voucher program.

WAITING LIST ADMISSION - An admission from the HA waiting list.

Addendum to the Housing Choice Voucher Administrative Plan

Project Based Voucher (PBV) Program

On October 13, 2005, HUD published final regulations for the Project-Based Voucher (PBV) program, superseding regulations at 24 CFR part 983 (see 70 FR 59892). This Addendum provides the Baltimore County Office of Housing (BCOH) policies and procedures for its PBV program in accordance with the new regulations.

BCOH's PBV program is subject to the regulations at 24 CFR part 983, which includes regulations governing policies and procedures that are not specified in this Administrative Plan.

In addition to the policies and procedures stated below, and other PBV regulations stated at 24 CFR part 983, BCOH's PBV program is subject to most of the requirements of the Housing Choice Voucher Program, as specified in this Administrative Plan and in other HUD regulations.

A. JURISDICTION

The jurisdiction for BCOH's PBV program is within the confines of Baltimore County.

B. BALTIMORE COUNTY OFFICE OF HOUSING'S PBV COMMITMENTS AND PRIORITIES

BCOH's PBV program is designed to ensure that PBV assistance is used to support goals that could not be equally achieved through the use of tenant-based voucher assistance. BCOH's PBV program has is committed to the following priorities:

1. Expand and/or preserve the supply of affordable housing in an effort increase the affordable housing choices of residents within the jurisdiction
2. Support projects which further revitalize neighborhoods, promote the de-concentration of poverty and generally provide increased housing and economic opportunities.
3. Work with the community to identify and serve populations with particular housing needs, including but not limited to the provision of supportive services to promote self-sufficiency and supportive housing for families with disabilities.

C. PROPOSAL SUBMISSION AND SELECTION

Request for Proposals Process

BCOH will select PBV proposals through a public Request for Proposals (RFP) process. BCOH's PBV RFP will be advertised in a manner to provide broad public notice of the opportunity to offer PBV proposals for consideration by BCOH. The public notice procedures will include publication of the general notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.

The public notice of the PBV RFP will specify the submission deadline. The public notice will inform owners or developers seeking project-based assistance of the availability of the full RFP document at BCOH's main offices at 6401 York Road, Drumcastle Center, Baltimore, Maryland 21212.

The full RFP document will provide detailed information about proposal submission and selection procedures and will be available upon request of interested parties at BCOH's main offices.

Property owners may submit PBV proposals in accord with the proposal submission guidelines stated in the full RFP document. Proposals will be selected according to explicit criteria specified in the full RFP document, following the selection criteria stated below. Under no circumstances will BCOH's RFP selection criteria limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.

Alternative Competitive Processes

In lieu of the above RFP process, HUD regulations permit BCOH to select a PBV proposal for housing assisted under a federal, state, or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals, where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance, or in other circumstances as allowed by the regulations or other PBV requirements.

Proposals for PBV assistance which have been independently selected for housing assistance as described above may be submitted to BCOH on a rolling basis. BCOH's selection of proposals under the alternative competitive processes may be contingent upon the owner providing additional information required according to BCOH's selection requirements and HUD and BCOH requirements for PBV assistance. BCOH will inform owners of any additional requirements at the time their proposals are submitted.

Selection Criteria

Proposals will be selected according to the following selection criteria:

- The housing must promote one of BCOH's priorities for its PBV program;
- The proposal must comply with all HUD program regulations and requirements;
- The property must be eligible housing;
- The proposal must comply with the HUD cap on PBV units per building;
- The housing site must meet the site selection standards detailed at 24 CFR 983.57;

Proposals that **have not** been through a State competition will be subject to the following:

- Proposals for new construction or rehabilitation projects must demonstrate capacity, experience, and successful outcomes in prior projects that indicate their ability to complete the construction work effectively and within the proposed schedule;
- Proposals for all housing must demonstrate capacity, experience, and successful outcomes in property management, particularly management of housing targeted to low income persons and families;
- Proposals for supportive housing must demonstrate the capacity, experience, and successful outcomes of the supportive services provider that indicate its ability to effectively provide sufficient supportive services. More detailed information about minimum supportive services guidelines is provided later in this addendum.
- Proposals must provide evidence of sufficient financing commitments (for construction, operations, and supportive services if applicable) to demonstrate the project's long-term viability.

Public Notice and Review of BCOH Proposal Selection

At the conclusion of selection during the competitive process, BCOH will provide public notice of PBV proposal selections, including publication of public notice in a local newspaper of general circulation and/or other means designed and actually operated to provide broad public notice.

BCOH will make documentation available for public inspection regarding the basis for BCOH's selection of a PBV proposal.

Proposals selected via the alternate competitive process will be identified and included in the annual agency plan update, which includes publication (via public notice) of the process, documents and plans, and allows for public comment on the proposed selection.

D. SITE SELECTION STANDARDS

BCOH will only select proposals which demonstrate consideration of and compliance with the site selection standards at 24 CFR 983.57, as such may be amended or revised, which shall ensure that selected proposals will meet the above program goals of de-concentrating poverty, expanding housing and economic opportunities, and otherwise providing needed housing support.

E. SUPPORTIVE SERVICES GUIDELINES AND REQUIREMENTS

Pursuant to HUD regulations, project-based assistance will ordinarily be limited to 25% of the units contained within the proposed project. However, for projects providing supportive services, each unit that is occupied by families receiving qualified supportive services shall be an “excepted unit” and shall not apply towards the 25% cap

Qualifying Supportive Services

- Participation in BCOH’s FSS program
- Educational Services or Counseling
- Employment or vocational training, counseling or referrals
- Life skills training or counseling
- Credit counseling
- Personal finance training and counseling
- Healthcare prevention and/or Community Outreach
- Supportive housing for persons with developmental disabilities or mental illness
- Supportive housing for persons with legal custody of grandchildren
- Referrals to or provision of day care, after school programs or other youth services.

It is not necessary that the above services be provided by or at the project. However, to qualify for as an “excepted unit” a family must have at least one member receiving at least one qualifying supportive service. Proposals that include supportive services should identify the particular services that will be provided and the service provider(s). BCOH will evaluate proposals including supportive housing units on the basis of the specific services provided, the intensity of the services and the target population to be served. BCOH will also evaluate supportive housing proposals based on the history and track record of the proposed service providers and the need for the supportive housing at the proposed site.

Family Responsibility

At the time of the initial lease execution between the family and the owner, the family and BCOH must sign a Statement of Family Responsibility. The Statement of Family Responsibility must contain all family obligations including the family’s participation in a service program as contemplated within this Administrative Plan.

At the family's annual income recertification, BCOH will require written documentation from the service provider indicating the family's continued compliance with the terms of the supportive services plans. Project owners will also be expected to provide some level of monitoring of the services provided. This monitoring should be detailed in the proposal, and will be evaluated as part of the section process. At BCOH's discretion, BCOH may request additional documentation of compliance with supportive service obligations.

The unit eligible for status as an "excepted unit" so long as at the time of the occupying family's initial tenancy at least one member of the family is receiving a qualifying supportive service. If the family completes an FSS contract of participation or the supportive services requirement, the unit will continue to count as an "excepted unit" for as long as the family resides in that unit.

Family Failure to Comply with Supportive Service Requirements

Failure without good cause by a family to complete or comply with its supportive service participation requirements will result in termination of the project based assistance for that unit and may result in the termination of the lease by the project owner.

F. WAITING LISTS

BCOH will establish individual site-based waiting lists for each PBV project selected.

BCOH will offer to place applicants who are listed on the waiting list for tenant-based assistance on the waiting list(s) for PBV assistance.

BCOH will open and close the site-based waiting lists pursuant to the procedures outlined in Administrative Plan.

G. PREFERENCES

BCOH may establish separate preferences for each PBV project. These preferences may include those for elderly or disabled families, or preferences related to supportive housing programs. Preferences may include those outlined in the Administrative Plan.

Any preferences that would be necessary to the operation of the project, or required by a funding source must be disclosed in the proposal.

Supportive Housing Related Preferences

If PBV units include special accessibility features for persons with disabilities, BCOH will first refer families who require such accessibility features to the owner. For other

units that are designated to receive supportive services, BCOH may give preference to disabled families who need services offered at a particular project. Project owners may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible persons with disabilities who may benefit from services provided in the project.

Only families that meet the following limits will be eligible for any supportive housing preference:

- Families (including individuals) with disabilities that significantly interfere with their ability to obtain and maintain themselves in housing
- Families that without appropriate supportive services will not be able to obtain or maintain themselves in housing
- Families for whom such services cannot be provided in a non-segregated setting.

Disabled residents will not be required to accept the particular services offered at the project.

BCOH is prohibited from granting preferences to persons with specific disabilities (see 24 CFR 982.207(b)(3),

H. APPLYING FOR ADMISSION

The process for applying for admission to the PBV program is not different than the process for applying for admission to the tenant-based program, which are provided in BCOH's Administrative Plan.

At the time of the application, BCOH will provide applicants with the opportunity to be placed on the tenant-based waiting list if open, or any open site-based waiting lists.

I. TENANT SELECTION

When notified of a vacancy in a PBV unit, BCOH will refer tenants according to the following procedures:

First-come, first-served among applicants on the specific PBV waiting list.

For PBV waiting lists that include preferences, BCOH will select applicants from the waiting list on a first-come, first-based basis who:

- Qualified for preference at the time of application; and
- Continue to qualify for preference at the time of admission.

J. TENANT SCREENING

BCOH's procedures for tenant screening for the PBV program are not different than procedures for screening tenant-based applicants, which are provided in BCOH's Administrative Plan.

BCOH's policy for providing information to owners about families referred to PBV units is not different than BCOH's policies for tenant-based applicants, which are provided in BCOH's Administrative Plan.

K. PROCEDURES FOR FAMILIES OCCUPYING A UNIT OF THE WRONG SIZE OR AN ACCESSIBLE UNIT WHOSE ACCESSIBILITY FEATURES ARE NOT REQUIRED BY THE FAMILY

If a family is determined by BCOH to occupy a wrong-sized unit, or a unit with accessibility features that the family does not require (and such unit is needed by a family that requires the accessibility features) then BCOH must promptly notify the family and the project owner of this determination and must offer continued assistance in another appropriately sized or accessible unit.

Continued assistance after unit, which may include, but is not limited to the following options:

- PBV assistance in an appropriate-sized unit (in the same building or in another building);
- Other project-based housing assistance (including occupancy of a public housing unit)
- Tenant-based rental assistance under the voucher program; or
- Other comparable public or private tenant-based assistance (e.g., under the HOME program).

For families who have been notified that they occupy a wrong-size unit, and offered continued assistance:

- If the PHA offers the families the opportunity receive tenant-based rental assistance under the voucher program, the PHA must terminate the HAP payments for a wrong-sized unit at expiration of the term of the family's voucher (including any extensions granted by the PHA).
- If the PHA offers the family the opportunity for another form of continued housing assistance (as provided above), and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the

PHA, or both, the PHA must terminate the HAP payments for the wrong-sized unit, at the expiration of a reasonable period as determined by the PHA.

L. RIGHT TO MOVE

A family residing in a PBV unit may terminate the assisted lease any time after the first year of occupancy and request comparable tenant-based assistance from the BCOH.

Should a family terminate its PBV lease and request alternate assistance, the BCOH shall offer the family the opportunity for continued tenant-based rental assistance, or if such assistance is not immediately available upon termination of the lease, the BCOH will give the family priority to receive tenant-based rental assistance at the next available opportunity for such tenant-based rental assistance.

If the family terminates the assisted lease before the end of the first year of occupancy, the family will not be entitled to tenant-based assistance or priority for such assistance under this section. However, the family may reapply for tenant-based assistance or other project based assistance as otherwise provided in this Administrative Plan.

Addendum 04/01/2015