

<b>Annual PHA Plan</b> <i>(Standard PHAs and Troubled PHAs)</i>	<b>U.S. Department of Housing and Urban Development</b> <b>Office of Public and Indian Housing</b>	<b>OMB No. 2577-0226</b> <b>Expires: 9/30/2027</b>
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**Purpose.** The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services. They also inform HUD, families served by the PHA, and members of the public of the PHA's mission, goals, and objectives for serving the needs of low-, very low-, and extremely low- income families.

**Applicability.** The Form HUD-50075-ST is to be completed annually by **STANDARD PHAs or TROUBLED PHAs**. PHAs that meet the definition of a High Performer PHA, Small PHA, HCV-Only PHA or Qualified PHA **do not** need to submit this form. Note: PHAs with zero public housing units must continue to comply with the PHA Plan requirements until they closeout their Section 9 programs (ACC termination).

**Definitions.**

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers (HCVs) and was designated as a high performer on both the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, SEMAP for PHAs that only administer tenant-based assistance and/or project-based assistance, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceed 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceed 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or HCVs combined and is not PHAS or SEMAP troubled.

<b>A.</b>	<b>PHA Information.</b>
<b>A.1</b>	<p><b>PHA Name:</b> _____ <b>PHA Code:</b> _____</p> <p><b>PHA Type:</b> <input type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA</p> <p><b>PHA Plan for Fiscal Year Beginning:</b> (MM/YYYY): _____</p> <p><b>PHA Inventory</b> (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)</p> <p><b>Number of Public Housing (PH) Units</b> _____ <b>Number of Housing Choice Vouchers (HCVs)</b> _____</p> <p><b>Total Combined Units/Vouchers</b> _____</p> <p><b>PHA Plan Submission Type:</b> <input type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p><b>Public Availability of Information.</b> In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA and should make documents available electronically for public inspection upon request. PHAs are strongly encouraged to post complete PHA Plans on their official websites and to provide each resident council with a copy of their PHA Plans.</p>

**PHA Consortia:** (Check box if submitting a Joint PHA Plan and complete table below)

Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	
				PH	HCV
Lead PHA:					

**B. Plan Elements**

**B.1 Revision of Existing PHA Plan Elements.**

(a) Have the following PHA Plan elements been revised by the PHA?

Y N

- Statement of Housing Needs and Strategy for Addressing Housing Needs.
- Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
- Financial Resources.
- Rent Determination.
- Operation and Management.
- Grievance Procedures.
- Homeownership Programs.
- Community Service and Self-Sufficiency Programs.
- Safety and Crime Prevention.
- Pet Policy.
- Asset Management.
- Substantial Deviation.
- Significant Amendment/Modification.

(b) If the PHA answered yes for any element, describe the revisions for each revised element(s):

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(c) The PHA must submit its Deconcentration Policy for Field Office review.

**B.2 New Activities.**

(a) Does the PHA intend to undertake any new activities related to the following in the PHA's applicable Fiscal Year?

Y N

- Choice Neighborhoods Grants.
- Modernization or Development.
- Demolition and/or Disposition.
- Designated Housing for Elderly and/or Disabled Families.
- Conversion of Public Housing to Tenant-Based Assistance.
- Conversion of Public Housing to Project-Based Rental Assistance or Project-Based Vouchers under RAD.
- Homeownership Program under Section 32, 9 or 8(Y)
- Occupancy by Over-Income Families.
- Occupancy by Police Officers.
- Non-Smoking Policies.
- Project-Based Vouchers.
- Units with Approved Vacancies for Modernization.
- Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

(b) If any of these activities are planned for the applicable Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project-based units and general locations, and describe how project basing would be consistent with the PHA Plan.

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**B.3**

**Progress Report.**

Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan.

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<b>B.4</b>	<b>Capital Improvements.</b> Include a reference here to the most recent HUD-approved 5-Year Action Plan in EPIC and the date that it was approved.
<b>B.5</b>	<p><b>Most Recent Fiscal Year Audit.</b></p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y   N  <input type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p>
<b>C. Other Document and/or Certification Requirements.</b>	
<b>C.1</b>	<p><b>Resident Advisory Board (RAB) Comments.</b></p> <p>(a) Did the RAB(s) have comments to the PHA Plan?</p> <p>Y   N  <input type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p>

<p><b>C.2</b></p>	<p><b>Certification by State or Local Officials.</b></p> <p>Form HUD 50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
<p><b>C.3</b></p>	<p><b>Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan.</b></p> <p>Form HUD-50077-ST-HCV-HP, <i>PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
<p><b>C.4</b></p>	<p><b>Challenged Elements.</b> If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA’s response to the public.</p> <p>(a) Did the public challenge any elements of the Plan?</p> <p>Y    N  <input type="checkbox"/>   <input type="checkbox"/></p> <p>(b) If yes, include Challenged Elements.</p>

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**C.5 Troubled PHA.**

(a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place?

Y N N/A

(b) If yes, please describe:

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**Lake County Housing Authority**  
**Admissions & Continued Occupancy Policy**  
for the  
Low Income Public Housing Program

*Resolution# 2025-20*  
*July 10, 2025*



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The U.S. Department of Housing and Urban Development (HUD) has established certain regulatory requirements applicable to Low Income Housing, that are generally set forth in Title 24 of the Code of Federal Regulations (24 CFR), Parts 5, 8, 100, 960, 965 and 966. If there is any conflict between HUD's regulations and this policy, the HUD regulations will govern. When Federal guidance is inconsistent, statute shall take highest priority, regulations second priority, handbooks third priority and other HUD guidance last priority. Recent HUD regulation clarifies the fact that handbooks, guidebooks and notices are not requirements.

### **I. Nondiscrimination, Fair Housing & Equal Opportunity**

#### **A. Complying with Civil Rights Laws**

1. Civil rights laws protect the rights of applicants and residents to equal treatment by the Lake County Housing Authority (LCHA) in operating its programs. It is the policy of LCHA to comply with all Civil Rights laws now in effect and subsequently enacted, including but not limited to:
  - a. Title VI of the Civil Rights Act of 1964, which forbids discrimination on the basis of race, color, religion, national origin or sex; **24 CFR §§ 1 and 100**
  - b. Title VIII of the Civil Rights Act of 1968 (as amended by the 1974 HCDA and the Fair Housing Amendments Act of 1988), which extends protection against discrimination based on disability and familial status, and spells out forms of prohibited discrimination; **24 CFR § 100**
  - c. Executive Order 11063 and 13988,
  - d. Section 504 of the Rehabilitation Act of 1973, which describes specific housing rights of persons with disabilities; **24 CFR § 8**
  - e. Age Discrimination Act of 1975, which establishes certain rights of the elderly; **24 CFR § 146**
  - f. Title II of the Americans with Disabilities Act, otherwise Section 504 and the Fair Housing Amendments govern (Title II deals with common areas and public space, not living units, which are covered by Section 504.)
  - g. Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the Federal Register February 3, 2012, and further clarified in Notice PIH 2014-20
  - h. The Violence Against Women Act of 2013 (VAWA)
  - i. Any applicable State laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted.
2. LCHA shall not discriminate because of race, color, national origin, sex, religion, familial status, disability, marital status, sexual orientation or gender identity in the leasing, rental, occupancy, use, or other disposition of housing or related facilities, including land, that is part of a development under the LCHA's jurisdiction covered by a public housing Annual Contributions Contract with HUD. **24 CFR § 100**
3. LCHA shall not deny admission to otherwise qualified applicants because of their membership in some group to which negative behavior may be imputed (e.g., families with children born to unmarried parents). Instead, each applicant who is a member of a particular group will be treated as an individual based on his or her history and behavior. **24 CFR § 960.203(a)**

4. LCHA will work continuously to affirmatively further fair housing and to remove impediments to housing choice by all members of protected classes;
5. LCHA will offer units only in the order prescribed by this policy, since any other method violates the rights of applicants.

#### B. Reasonable Accommodations

1. LCHA, as a public agency that provides affordable housing to eligible families, has a legal obligation to provide “unit modifications” and “reasonable accommodations” to applicants and residents if they or any family members have a disability and need such modifications or accommodations because of a disability. **24 CFR § 8.4**

##### LCHA Policy

LCHA will ask all applicants and resident families if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by the LCHA, by including the following language:

“If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the housing authority.”

2. A unit modification is some adaptation or change LCHA can make to its apartments, buildings, or sites. A reasonable accommodation is a modification LCHA can make to its methods and procedures (but not Federal law, regulations or LCHA policies). Both unit modifications and reasonable accommodations are carried out to assist an otherwise eligible applicant or resident with a disability to take full advantage of and use LCHA’s programs, including those that are operated by other agencies in LCHA-owned properties. **24 CFR § 8.20**

A modification or accommodation in existing housing is not reasonable if it: **24 CFR § 8.21(b) and 24 CFR § 8.24(a)(2)**

- a. Causes an undue financial and administrative burden; or
- b. Represents a fundamental alteration in the nature of LCHA’s program.
3. Subject to the undue burdens and fundamental alterations tests, LCHA will correct physical situations or procedures that create a barrier to equal housing opportunity for all. To permit people with disabilities to take full advantage of LCHA’s housing program and non-housing programs, in accordance with Section 504 and the Fair Housing Amendments Act of 1988, LCHA shall comply with all requirements and prohibitions in applicable law. **24 CFR § 8.4**
4. Facilities and programs used by applicants and residents shall be accessible to persons using wheelchairs, persons with sensory impairments and other persons with disabilities. Application and management offices, hearing rooms, community centers, day care centers, laundry facilities, craft and game rooms, etc. (to the extent that the LCHA has such facilities) will be usable by residents with a full range of disabilities. If LCHA offers such facilities, and none is accessible, some<sup>1</sup> will be made so, subject to the undue financial and administrative burden test. **24 CFR § 8.2**

<sup>1</sup> It is not required that all public and common areas be made accessible so long as persons with disabilities have full access to all the types of facilities and activities available to persons without disabilities. Thus, not all laundry facilities need to be accessible so long as there are sufficient accessible laundry facilities for use by persons with disabilities at each development that provides laundry facilities.

5. Documents and procedures used by applicants and residents will be accessible for those with vision, hearing or other sensory impairments. Also, all documents will be written simply and clearly to enable applicants with learning or cognitive disabilities to understand as much as possible. **24 CFR § 8.6**
6. Examples of reasonable accommodations include, but are not limited to: **24 CFR §8.4**
  - a. Making alterations to a LCHA apartment to make it fully accessible so it could be used by a person in a wheelchair;
  - b. Transferring a resident (at LCHA's expense) who needs a fully accessible unit from an apartment that cannot be made accessible to an apartment that is accessible (this may require moving the resident from one property to another);
  - c. Widening the door of a community room or public restroom so a person in a wheelchair may use the facility;
  - d. Adding or altering apartment or building features so they may be used by a family member with a disability, including but not limited to:
    - 1) Installing strobe-type flashing light smoke detectors and flashing light/doorbell for a family with a hearing impaired member;
    - 2) Adding structural grab bars in the bathroom;
    - 3) Changing doorknobs to lever-type door handles;
    - 4) Installing a magnifier over a thermostat;
    - 5) Switching the bathtub to a shower;
    - 6) Lowering the peephole on the door;
  - e. Permitting a family to have a large dog to assist a family member with a disability in a LCHA family development where the size of dogs is usually limited; **24 CFR § 8.20**
  - f. Making sure that LCHA processes are understandable to applicants and residents with sensory or cognitive impairments, including but not limited to: **24 CFR § 8.6**
    - 1) Making large type documents, Braille documents, cassettes or a reader available to an applicant or resident with a vision impairment during interviews or meetings with LCHA staff;
    - 2) Using personal visits, interviews or telephone calls to convey information to an applicant or resident who cannot see or read;
    - 3) Making a sign language interpreter available to an applicant with a hearing impairment during interviews or meetings with LCHA staff;
    - 4) Permitting an applicant or resident to be accompanied or represented by a family member, friend or advocate at all meetings and interviews with LCHA if the individual desires such representation;
    - 5) Permitting an outside agency or individual to assist an applicant with a disability to meet the LCHA's applicant screening criteria.
7. To meet the standard of HUD's definition of "Qualified Individual with a Disability" a family head or other member with a disability must still be able to meet essential obligations of tenancy. They must be able: **24 CFR § 8.3**
  - a. to pay rent and other charges (e.g. utility bills) as required by the lease in a timely manner;
  - b. to care for and avoid damaging the apartment and common areas; to use facilities and equipment in a reasonable way;



- c. to create no health, or safety hazards, and to report maintenance needs
- d. not to interfere with the rights and peaceful enjoyment of others, and to avoid damaging the property of others;
- e. not to smoke in a LCHA unit, common areas or anywhere on LCHA property except designated smoking areas that are 25 feet from LCHA buildings;
- f. not to engage in prohibited criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or staff; and not to engage in drug-related criminal activity; and
- g. to comply with necessary and reasonable rules and program requirements of HUD and the LCHA.

But there is no requirement that they be able to do these things without assistance.

- a. If an applicant or resident family member needs assistance with one of the essential obligations of tenancy, LCHA will, as a reasonable accommodation, make a referral to an individual or agency that can provide such assistance. **24 CFR § 8.20**
- b. If an applicant or resident receives a referral to an agency or individual who can assist the applicant or resident with complying with the essential obligations of tenancy, the applicant or resident is not obligated to accept the service, but if refusing service results in a lease violation, LCHA may terminate the lease. **24 CFR § 8.2**
- c. An applicant or resident family with a member who has a disability and needs or wants a reasonable accommodation may request it at any time. **24 CFR § 8.20**
- d. If an applicant or resident would prefer not to discuss his/her disability with the LCHA, that is his/her right.
- e. Any request that requires a certified verification, must be submitted directly to LCHA by the qualified person making the certification.

**C. Providing Information in Languages other than English for persons with Limited English Proficiency**

1. For persons with Limited English Proficiency (LEP), language can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin.
2. LCHA will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).
3. The specific methods LCHA will use to accomplish this policy:
  - a. All forms, written materials and recorded voice-mail messages used to communicate with prospective applicants, applicants and residents shall be available in any language spoken by the lower of 1000 eligible families or five percent of the eligible population of the Lake County. This includes documents related to intake, marketing, outreach, certification, reexamination and inspections.
  - b. Applicants and residents with low English comprehension may furnish an interpreter to assist in communication with LCHA. When an applicant or resident needs

- interpretation services and a staff member of the Authority speaks the language needed, the staff member will provide translation services.
- c. In a courtroom, a hearing, or situations in which health, safety, or access to important benefits and services are at stake, the LCHA will generally offer, or ensure that the family is offered through other sources, competent services free of charge to the LEP person.
  - d. The LCHA will provide written translations of other vital documents for each eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served. Translation of other documents, if needed, can be provided orally.
  - e. Applicants and residents with low English comprehension may furnish an interpreter to assist in communication with LCHA. When an applicant or resident needs interpretation services and a staff member of the Authority speaks the language needed, the staff member will provide translation services.

## II. Eligibility and Intake

### A. Applications

1. LCHA will accept and process applications (including transfer applications) in accordance with applicable HUD Regulations. Except for qualification for preferences, LCHA will make its initial determination of eligibility assuming that the facts certified to by the applicant in the preliminary application are correct, although all those facts will be verified later in the application process.
2. Newly developed properties owned by LCHA or a LCHA entity that contain a mix of units, some subsidized by project-based vouchers and others subsidized by public housing operating funds, shall maintain a separate waiting list. Applicants shall be assigned to units suitable for their family sizes and disability needs without regard to subsidy type.
3. Every application file for admission to low rent housing shall include the date and time of application, or lottery/application number (if applicable), applicant's race and ethnicity; eligibility determination; when eligible, the apartment size(s) for which eligible; preference claimed, if any; and the date, location, identification, and circumstances of each vacancy offered and accepted or refused.
4. Applicants are responsible for notifying LCHA of any changes in their family circumstances, income, address and telephone number. Annually LCHA shall contact every applicant by mail to verify their continued interest in housing and their personal information. Applicants will be required to affirm their continued intention to seek public housing.
5. Applicants who cannot be reached at the address of record and applicants who fail to respond to LCHA's update letters will be withdrawn from the waiting list. Applicants who are withdrawn are not entitled to informal hearings since their withdrawal is not the result of a negative decision by LCHA but rather a result of their failure to follow LCHA rules.
6. The following information will be verified according to HUD's regulatory requirements at 24 CFR part 5 and LCHA's *Procedure on Verification*, to determine qualification for admission to LCHA's housing: **24 CFR § 960.259**
  - a. Family composition, demographics and type (Elderly/Disabled/Near-elderly)

- A **near-elderly family**, which is:
- 1) 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;
  - 2) Two or more persons, who are at least 50 years of age but below the age 62, living together; or
  - 3) 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.
- b. Annual Income
  - c. Net Family Assets and Asset Income HOTMA
  - d. Owning a home you could live in HOTMA
  - e. Deductions from Income
  - f. Preferences
  - g. Social Security Numbers of all Family Members
  - h. Applicant Screening Information (including tenant and criminal history)
  - i. Citizenship or immigration status of at least one family member
7. Enterprise Income Verification (using Federal databases) or third party written information that is mailed, faxed or transmitted electronically between LCHA and the verification source are the required form of documentation. Any other form of verification requires a note to the file explaining its use. **24 CFR § 960.259**
  8. Individuals applying for admission must submit an application or pre-application in the manner stipulated the announcement of the opening of the Waiting List, or, if they are a person with a disability, may submit an application by mail or in person.
  9. If an applicant needs assistance in completing any aspect of the application process because of a disability, LCHA will assist the applicant as needed to ensure equal access to LCHA's programs.
  10. Applicants providing false information regarding Family Income, composition, preferences or other circumstances affecting their eligibility or rent level will be rejected. If the Applicant has been assigned a unit, the lease will be terminated and LCHA will pursue all lawful civil claims and criminal actions, including the recoupment of back rent.
  11. If an applicant's preference status changes while on the waiting list, the applicant's position on the list will be adjusted to reflect their current status although their date and time of application or application number will not change.
  12. If the head of an applicant household dies while the family is on the waiting list, and the family includes another adult, LCHA will change the application to make the other adult the new applicant so long as the family reports the death within 30 days and requests that another adult family member be named the head.
  13. Applicants whose family size or composition changes while on the waiting list will be able to change their applications in accordance with the following policy:
    - a. Children who have been added to the family through birth adoption or court awarded custody to people already listed on the application will be added;
    - b. Individuals who can document that they need a Live-in Aide (even though not included on the original application) will be permitted to add the Live-in Aide;
    - c. Other adults will NOT be added to an application unless their addition would not change the unit size for which the family qualifies, although the family may file a different application with a different family composition when the waiting list is open.

**B. Closing and Re-opening the Waiting List**

1. Waiting lists will be opened and closed in accordance with proper public notice. Applicant names will be removed from the waiting list only in accordance if they:
  - a. Request to be removed from the waiting list;
  - b. Are housed;
  - c. Refuse a unit offer;
  - d. Are determined to be ineligible for admission;
  - e. Fail to meet applicant screening standards;
  - f. Are not able to be contacted by the LCHA at the address, email address, or phone number they provided to the LCHA; **24 CFR § 960.206**
2. It is unlikely that LCHA will close the waiting list for the highest priority applicants or at certain properties.

**C. Affirmative Fair Housing Marketing and Outreach Procedures**

1. When the waiting list is open LCHA will conduct affirmative marketing as needed to ensure that the waiting list includes a mix of Applicants with races, ethnic backgrounds, ages and disabilities proportionate to the mix of those groups in the eligible population of Lake County. LCHA will review the factors regularly to determine the need for and scope of marketing efforts.
2. All marketing efforts will include outreach to those least likely to apply. LCHA may designate sites for accepting applications in addition to accepting on-line applications. LCHA staff will be available at these sites to assist Applicants in completing the housing application documents. If additional applications are required to attain any of the objectives established in this Policy, LCHA will engage in outreach efforts directed toward potential Applicants who might fulfill the need.

**D. Income Targeting Requirements**

LCHA will ensure that at least 40 percent of Families admitted to public housing in any year have incomes at or below the Federal “extremely low income” limit. HUD establishes income limits and revises them annually to ensure that federal rental assistance is provided only to low-income families. Except under limited circumstances, the Applicant Family’s Annual Income must not exceed the applicable income limit that HUD establishes and publishes for each county or Metropolitan Statistical Area (MSA) in the country. The income limits are based on percentages of the median income of the geographic area for which the limit is established and are adjusted for family size.

**E. Qualifying for Admission**

It is LCHA’s policy to admit **only** applicants who can be verified to be qualified<sup>2</sup> according to all the following criteria

1. Are a Family<sup>3</sup>, as defined in Section XIII of this policy;
2. Have at least one family member who meets HUD requirements on citizenship or

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<sup>2</sup> The term “qualified” refers to applicants who are both eligible and able to meet the applicant selection standards. This term is taken from the 504 regulations: **24 CFR § 8.3** definition of “Qualified Individual with Disability”.

<sup>3</sup> A family can be a single person.

immigration status<sup>4</sup>; **24 CFR § 5.5 (subpart E)**

3. Have an Annual Income (as defined in Section XI of this document) at the time of admission that does not exceed the income limits (maximum incomes by family size and housing type established by HUD) posted in LCHA offices. **24 CFR § 960.102**
4. Provide acceptable documentation of Social Security numbers for all family members except those who do not contest their immigration status; **24 CFR § 5.216**
5. Do not own Net Family Assets worth more than \$100,000. HOTMA
6. Do not own a house that they could live in<sup>5</sup>; HOTMA
7. Meet the Applicant Selection Criteria in these policies, including completing a LCHA-approved pre-occupancy orientation session if required; **24 CFR § 960.202 & 203**
8. Are not already adequately housed in any Authority-owned dwelling unit. Applicants who are listed on a current LCHA lease and live in a unit meeting occupancy standards are not qualified for admission and therefore will not be processed in the normal course of pulling from the waiting list to fill vacancies. LCHA intends to focus the available housing opportunities on families who are not already adequately housed in their affordable housing.
9. Owe no money to LCHA or any other Housing Authority in connection with any Federal housing program;
10. Have never been evicted from LCHA public housing or terminated from LCHA's Voucher program<sup>6</sup>.
11. Do not have a history of misusing or abusing alcohol in any way that interferes with the health, safety, or rights of others, or
  - a. demonstrate to LCHA's satisfaction that the family member who formerly abused alcohol and no longer abuses or misuses alcohol and:
  - b. have successfully completed a supervised alcohol rehabilitation program licensed and approved by the State of Illinois.
  - c. are participating in a supervised alcohol rehabilitation program.
12. Agree not to smoke or use any tobacco products or to permit family and household members, guests and other persons under tenant's control to smoke or use tobacco products anywhere on LCHA property except for designated outdoor smoking areas (if any);
13. When applicants are fully certified and about to receive unit offers or when current tenants are recertified every adult family member is required to sign a consent form (HUD 9886) granting the LCHA access to federal databases to check their income history. This form only needs to be signed once for each adult family member. When family members who are minors turn 18, they must sign the consent form. When new adult members join the family, they must sign the consent form. If any adult family

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<sup>4</sup> If all family members are not either citizens or eligible immigrants, the family will be required to pay a higher pro-rated rent. Families whose pro-rated rent exceeds 60 percent of adjusted monthly income will not be offered units since the rent would be unaffordable.

<sup>5</sup> *If an applicant owns a house that he/she does not have the right to sell, is located too far from the applicant's work to commute, or that is unsuitable for the applicant's disabilities, this restriction will not apply.*

<sup>6</sup> This prohibition includes people on whom an eviction action or HCV termination action was started when the tenant/HCV participant left before the action was completed.

member refuses to sign the consent form as described herein, an applicant family will be denied assistance and a tenant family will have their lease terminated.

14. Screening applicants who claim mitigating circumstances

- a. If negative information is received about an applicant, LCHA shall consider the time, nature, and extent of the applicant's conduct and factors that might indicate a reasonable probability of favorable future conduct. To be considered, mitigating circumstances must be verifiable. **24 CFR § 960.203(d)**.
- b. LCHA will consider whether individuals with negative behavior in their recent past can document that they have been rehabilitated.
- c. 12. Meet net asset and property ownership restriction requirements. Net family assets that exceed \$100,000 (adjusted annually for inflation); and/or the family has a present ownership interest in, a legal right to reside in, and the effective legal authority to sell the real property (based on laws of the state or locality in which the property is located) that is suitable for occupancy by the family as a residence.

F. Occupancy by a Police Officer

To increase security at a public housing site one (1) two-bedroom unit will be made available for occupancy by Police Officer. The Officer must be employed on a full-time basis as a duly licensed professional police officer by a Federal, State or local government or by any agency of these governments. Rent will not be charged for the unit; however, the officer will be responsible for paying all utilities and compliance with the lease which will include the employment requirements listed above.

G. Admission to Efficiency Units

During the eligibility interview for the Public Housing Elderly/Disabled Sites Program, if both an efficiency unit and a 1-bedroom unit are available, a single Applicant will receive the efficiency unit offer.

H. Applicant Selection Criteria

1. The following list of criteria will be reviewed to determine whether Applicant Families qualify for admission. All applicants shall be screened in accordance with HUD's regulations and sound management practices. During screening, LCHA requires applicants to demonstrate ability to comply with the essential provisions of the lease: **24 CFR§ 960.202 – 205**
  - a. to pay rent and other charges (e.g. utility bills) as required by the lease in a timely manner;
  - b. to care for and avoid damaging the apartment and common areas;
  - c. to use facilities and equipment in a reasonable way;
  - d. to create no health, or safety hazards, and to report maintenance needs;
  - e. not to interfere with the rights and peaceful enjoyment of others, and to avoid damaging the property of others;
  - f. not to smoke or use tobacco products anywhere on LCHA property other than designated outdoor smoking areas that will be at least 25 feet from any LCHA building;
  - g. not to engage in prohibited criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or staff; and not to engage in drug-related criminal activity; and

- h. to comply with necessary and reasonable rules and program requirements of HUD and the LCHA.
2. LCHA will determine each applicant family's ability to comply with the essential lease requirements in accordance with LCHA's *Procedure on Applicant Screening*.
  - a. Any costs incurred to complete the application process and screening will be paid by LCHA. Application fees will not be charged by LCHA.
  - b. Applicants who owe money to LCHA or any other Housing Authority will not be admitted to the program until their debt is paid in full. **24 CFR §203**
3. LCHA's screening process will review the following information for each Applicant family (including certain data specific to every adult family member):
  - a. Applicant's prior rental history (or other history if there is no rental history) must demonstrate the applicant family's ability and willingness to comply with necessary and reasonable standards of behavior;
  - b. Applicants must satisfy in full any overdue accounts or indebtedness owed to LCHA or any other Housing Authority by any adult family member;
  - c. The Applicant's lease must not have been terminated for cause by LCHA and, if a Section 8 program participant, the Applicant's voucher must not have been terminated within the previous 5 years except the period will be ten years if the termination was for drug trafficking;
  - d. Applicant must have a history of reasonably good performance in meeting rent and utility payment obligations<sup>7</sup>, and no record of eviction from housing or termination from residential programs in the past 5 years for failure to meet financial obligations; Former residents will not have their application rejected if the debt owed to LCHA was discharged by a bankruptcy court;
  - e. HUD's standards on criminal activity require that neither the Applicant nor any adult family member:
    - 1) Has been convicted of manufacturing or producing methamphetamine on the premises of any HUD-assisted housing. HUD regulations require that LCHA permanently bar any individual with such a conviction;
    - 2) Is subject to a lifetime registration requirement under any State sex offender registration program. HUD regulations require that LCHA permanently bar any individual subject to such lifetime registration requirements;
    - 3) Has been evicted because of drug-related criminal activity from housing assisted under the U.S. Housing Act of 1937 or convicted of drug-related criminal activity for a minimum of 5 years beginning on the date of such eviction or conviction. This requirement may be waived if:
      - a) The eviction/conviction was for drug use or possession and, since the eviction/conviction, the relevant member of the Applicant Family has successfully completed a supervised drug rehabilitation program licensed and approved by the the State of Illinois. To demonstrate completion, the Applicant must provide a certificate of completion issued by the rehabilitation agency responsible for treatment. If the Applicant entering LCHA's program

<sup>7</sup> Exceptions can be made when the amount of rent plus utilities exceeds 50 percent of the applicant's adjusted monthly income.

is from another state, LCHA will verify the Applicant has successfully completed a state approved supervised program from the Applicant's state of origin; or

- b) the circumstances leading to the eviction no longer exist (for example, the individual involved in drugs is no longer a member of the family).
  - c) This waiver is not available to a person who was evicted for selling, trafficking, producing or manufacturing illegal substances.
- 4) Is currently engaged in the illegal use of controlled substances, or engaging in conduct that presents a pattern of illegal use of controlled substances.

This requirement may be waived if the Applicant demonstrates to LCHA's satisfaction that the relevant member of the Applicant Family no longer engages in the illegal use of the controlled substance(s) (see Section e.7.a) below).

- 5) Has a history of engaging in violent crimes to persons or property and/or other criminal acts that would adversely affect the health, safety or welfare of other residents or LCHA personnel;
- 6) Has ever been convicted of arson or any crime of violence against a child.
- 7) Is on parole or probation for drug-related crimes, violent crimes or crimes that threaten the health, safety and/or general wellbeing of the community. The evidence of probation or parole for the aforementioned crimes maybe waived if the following criteria applies:
  - a) An Applicant is currently on probation or parole for an offense (except regulatory exclusions) that occurred prior to the five-year time-frame, and the Applicant can provide documentation from their probation or parole officer that all conditions of probation or parole are being met satisfactorily with no violations.
  - b) An Applicant has completed probation or parole for an offense (except regulatory exclusions) that occurred prior to the five-year timeframe, and the Applicant can provide documentation from their probation or parole officer that all conditions of probation or parole have been met satisfactorily with no violations.
- 8) Applicant must have no history of misrepresenting information relative to eligibility, income, allowances, family composition or rent;
- 9) Applicant must have no history in the past 5 years of disturbing neighbors, destroying property, or negative living and housekeeping habits at prior and/or current residences;

#### I. Determination of Eligibility and Notification of Applicants

- 1. Once LCHA receives a completed application, the unverified income eligibility of the Applicant will be determined by LCHA.
- 2. Applicant screening and verification of income, family composition, citizenship /immigration status, social security numbers, preferences and allowances will not take place until the Applicant is within an estimated 120 days of receiving a unit offer. LCHA will then verify all information related to eligibility for admission, receipt of subsidy and rent.



3. Each eligible Applicant will receive written notification of his/ her eligibility and of the approximate date he or she will be offered housing. A copy of this notification will be retained in the Applicant's file.
4. Each Applicant determined to be ineligible or unqualified for admission will be notified in writing of the reason(s) for the determination and the Applicant's right to submit a written request for an informal hearing within ten (10) calendar days of the date the notice is postmarked.  
  
LCHA will provide the Applicant with a copy of any information (including criminal history) LCHA used to determine the Applicant ineligible or unqualified for admission upon written request.
5. Applications withdrawn by the Applicant or LCHA, applications submitted by ineligible or unqualified applicants, and the notice of ineligibility will be retained in LCHA files for three (3) years following the date of the withdrawal or rejection of the application.
6. Applications will be withdrawn by LCHA when an applicant fails to respond to a request for information, or to attend a meeting, briefing or appointment or when letters or notices sent to the applicant are returned because the applicant is no longer at the address of record. So long as the communications sent by LCHA used first class mail or other method requested by applicants with disabilities, applicants shall not be entitled to informal hearings for withdrawn applications.

#### J. The Preference System for Public Housing

Preferences establish the order of applicants on the waiting list. Every applicant must still meet LCHA's Selection Criteria before being offered an apartment. Preferences will be granted to applicants who are otherwise qualified and who, at the time of the offer (immediately prior to execution of a lease), are verified to meet one of the definitions of the preferences described below. **24 CFR § 960.206**

- Local Preferences
- **Residency:** Head or spouse lives, works, or has received a written offer of employment to work in Lake County, IL (15 Points)
  - **Veteran:** Head or spouse is a veteran (10 Points)

Sorting among applicants with equal Local preferences will be by date and time of application or application number (whichever system is in effect).

#### K. Factors other than Preferences that affect selection of Applicants

1. **Accessible units:** For UFAS or ADAAG accessible units, resident and applicant families that include a member with a disability who is verified to need the features of such units shall be given preference for admission over a family that does not include a member with such a disability. Further, persons needing more features of a specific unit will be given preference over persons needing fewer features of the units available.  
  
When a UFAS/ADAAG accessible unit becomes available, it shall be offered first to a current resident who needs the features of the unit and second (only if there are no residents who need the features and will accept a transfer) to an applicant family with a member who needs the accessibility features.
2. **Income targeting:** At least 40 percent of public housing admissions in every year shall be families of Extremely Low Income (as defined in Chapter XIII, Definition of Terms).
3. **Deconcentration:** If at any time, one of LCHA's public housing properties has an

average tenant income more than 15 percent higher than the LCHA-wide average income, by bedroom size extremely low and very low income applicants will be targeted for admission until it is within 15 percent of LCHA-wide average income. In addition, LCHA may offer voluntary transfers from higher income properties to lower income properties to help achieve deconcentration goals.

L. Records Management

Information received by LCHA from any agency regarding drug treatment and criminal background shall be handled as required by HUD regulations.

All criminal records are maintained in a secure environment. Once the purpose for which the records were obtained is completed, the records will be permanently destroyed by shredding.

M. Occupancy Guidelines: HUD Notice of Policy, Dec. 18, 1998 Federal Register

1. Apartments shall be occupied by families of the appropriate size. This policy maintains the usefulness of the apartments, while preserving them from excessive wear and tear and under-utilization.

**Minimum and Maximum-Number-of-Persons-Per Unit Standard**

<u>Number of Bedrooms</u>	<u>Min Persons/Unit</u> (Largest Unit Size)	<u>Max Persons/Unit</u> (Smallest Unit Size)
0BR	1	1
1BR	1	2
2BR	2	4
3BR	3	6
4BR	5	8
5BR	7	10

2. The following principles govern the size of apartment for which a family will qualify. Generally, two people are expected to share a bedroom but families may be leased in units of larger size to prevent prolonged vacancies. The guidance below explains how LCHA determines unit sizes to be assigned, but each family, not LCHA, decides exactly who shares a bedroom. Units will be so assigned that:
  - a. Children age four and under will be assigned a bedroom with any other child or a parent, regardless of age or sex;
  - b. Children between the ages of five and seventeen and adults will be assigned separate bedrooms, although the actual use of bedrooms is determined by the family.
  - c. Two children under the age of seventeen of the same sex will be assigned one bedroom;
  - d. Two children between the ages of five and seventeen of the opposite sex will be assigned separate bedrooms, although the actual use of bedrooms is determined by the family.
  - e. Two adults (eighteen and older) of the same sex are assigned separate bedrooms regardless of relationship;
  - f. Two adults (eighteen and older) of opposite sex who are spouses or co-heads are assigned one bedroom;
  - g. Adults (eighteen and older) of opposite sex who are not spouses or co-heads of household are assigned separate bedrooms although the actual use of bedrooms is

determined by the family

- h. A single head of household parent will be assigned a separate bedroom from his/her child over age five, although the actual use of bedrooms is determined by the family.
- i. Exceptions to the largest permissible apartment size may be made when verified to be needed as a reasonable accommodation for a person with disabilities.
- j. An unborn child will be counted as a person in determining apartment size assigned;
- k. LCHA will count for unit size determination a child who is temporarily away from the home because the child has been placed in foster care, kinship care, or is away at school, so long as it can be verified that the child will be living with the family if they are admitted.
- l. A live-in aide may be assigned a bedroom if a unit of the right size is available. Single elderly or disabled residents with live-in aides will be assigned one or two bedroom units (not efficiency units).
- m. LCHA reserves the right to relax these Occupancy Standards at hard-to-lease properties.
- n. Two persons per bedroom is the standard for the smallest apartment a family may be offered.
- o. The largest apartment size that a family may be offered would be one bedroom per family member, considering family size and composition.
- p. The LCHA will use the same occupancy standards for each of its developments.
- q. A single pregnant woman with no other household members and a single parents with one child and no other household members will be assigned a one-bedroom unit. Assuming no other changes in family composition, after the child reaches the age of five years, the family will be eligible for a transfer to a 2-bedroom unit.
- r. Otherwise, an unborn child will not be counted as a person in determining unit size.
- s. Live-in aides will be allocated a separate bedroom. No additional bedrooms will be provided for the live-in aide's family. Live-in aide's family members may not overcrowd the unit.
- t. Single person families will be allocated a zero or one bedroom.
- u. Children related to a household member by birth, adoption, or court awarded custody will be considered when determining unit size.
- v. Foster children will be considered when determining unit size. The family may add foster children to the household as long as it does not overcrowd the unit based on the LCHA's occupancy standards.
- w. Children away at school, but for whom the unit is considered the primary residence, and children temporarily placed outside the home, will be considered when determining unit size. Children in the process of being adopted will be considered when determining unit size.

Children who will live in the unit less than 50 percent of the time will not be considered when determining unit size.



### **III. Tenant Selection and Assignment Plan**

#### **A. Organizing the Applicant Waiting List**

LCHA has Site-based Waiting Lists. Each applicant currently on the Public Housing waiting list and every subsequent applicant will be given a choice of:

1. Selecting up to 3 properties with units of the size and type needed by the applicant where the applicant will accept a unit offer; or
2. An offer of the first available unit of the size and type needed by the applicant.

Current applicants will be offered the choices above as the Public Housing waiting list is updated.

It is the LCHA's policy that each applicant will be offered his/her appropriate unit based on type and size of unit needed, qualification for preference, and sites or "first available unit" chosen by the applicant in sequence based upon either date and time the application is received or application number.

Families on the current waiting list who respond to the update letter will retain their current places on the waiting list or will move higher on the list as other applicants fail to respond to the update letter.

If LCHA opts to accept applications on-line, by phone or by mail, it will not use the date and time method of sorting the waiting list. Instead, LCHA will randomly assign application numbers to applications received on-line, by phone or mail on the same day. Should this occur, the first applications to receive numbers will be those of current applicants. Their numbers will be based on their dates and times of applications so no one will lose his/her place on the waiting list.

#### **B. Making Unit Offers to Transferees and Applicants**

1. Certain transferees (categories B.1.3.a. and b.1) and b.2) will receive offers of housing before applicants from the waiting list.
2. In all offers LCHA shall not discriminate on grounds of race, color, sex, religion, national origin, disability, marital status, sexual preference, gender identity or familial status.
3. Specifically, the following order of offers applies:
  - a. Emergency transfers; **24 CFR § 966.4 (h)**
  - b. Administrative transfers in the following category order:
    - 1) Priority 1: LCHA actions that require a unit to be vacated. Such actions could include renovation, revitalization, demolition or disposition of the building or complex;
    - 2) Priority 2: Reasonable accommodations for residents with disabilities **24 CFR § 8.4**
    - 3) Priority 3: Unit too large or too small for resident family **24 CFR § 966.4(c)**
    - 4) Priority 4: Scattered site transfers to high performing residents
    - 5) New Admissions from the waiting list;

**To reduce vacant units, LCHA does not offer resident-requested transfers**

4. To assure equal opportunity and nondiscrimination on grounds of race, color, sex, religion, marital status, sexual preference, gender identity, national origin, disability or familial status, PLAN "A", the one-offer plan, will be used to make apartment offers to applicants or transferees from waiting lists. **24 CFR § 1.4(2)(ii)**



5. The first qualified applicant or transferee in sequence on the waiting list is made one offer of an apartment of appropriate size and type at a property.
6. An applicant/transferee must accept the vacancy offered or be removed from the waiting list unless the applicant refuses the offer with Good Cause.
7. LCHA will first match the apartment available to the highest ranking applicant for an apartment of that size, type and special features (if any). Preferences will then be used to determine the order of selection from the waiting list. If two applicants need the same type and size of apartment and have the same local and ranking preference status, the applicant with the earliest date and time of application/lowest application number will receive the earlier offer. **24 CFR § 960.206(c)**.
8. If an applicant family's size changes while on the waiting list, the family is required to contact LCHA so they can be placed on the correct sub-list by unit size. If LCHA discovers that a change in family size means that a family cannot be processed for a certain vacant unit, the family will be transferred to a list for the correct size of unit using their original date and time of application or application number (as applicable).
9. When application processing is delayed because of missing verifications or inconclusive screening information, a family's application will be suspended for up to 60 days until the necessary verifications are received. This means that a person who is lower on the waiting list may receive a unit offer before a person who is higher on the waiting list. As soon as the necessary verification(s) are received, the suspended application will be placed back on the waiting list in its former position.
10. If an adult applicant family member is verified to have an open (unresolved) arrest for either violent or drug related criminal activity, the application will be suspended for up to one year or until the arrest is resolved by acquittal, dismissal, conviction or guilty plea. The applicant is responsible for keeping LCHA's Intake department informed of the status of all such open arrests.
11. The applicant must accept any apartment offered within three business days of the later of the date the offer is communicated (by phone, mail, or the method of communication designated by an applicant with disabilities) or the date they are shown the apartment or an equivalent apartment.
12. If the applicant does not accept the unit offer within three business days, he/she will be withdrawn from the waiting list. Applicants may not receive an offer for public housing for 12 months from the date when they either refused a unit offer or failed to respond to a unit offer.
13. All offers made over the phone will be confirmed by first class letter<sup>8</sup>.
  - a. If more than one apartment of the appropriate size and type is available, the first apartment to be offered will be the apartment that is or will be ready for move-in first.
  - b. If two units are ready for move-in on the same day, the first apartment to be offered will be the apartment that became vacant first.
14. The following are a list of "good cause" reasons why an applicant may refuse a unit offer without being removed from the waiting list:
  - a. The unit offered is not ready for move-in at the time of the housing offer. "Ready for move-in means the apartment has no NSPIRE deficiencies and is broom clean.
  - b. The unit offered is too far from the applicant's job location or the location of a school

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<sup>8</sup> Or by the communication method requested by an applicant with disabilities



- for disabled children when the applicant's family includes such a child.
- c. The unit offered is not at one of the three properties selected by the applicant<sup>9</sup>;
  - d. The unit has lead-based paint and the family has children under age 7.
  - e. The family demonstrates that accepting the offer will place a family member's life, health or safety in jeopardy. The family must provide specific and compelling documentation such as restraining orders, other court orders, or risk assessments from a law enforcement agency<sup>10</sup>.
  - f. The offer is made to achieve deconcentration of poverty in compliance with **24 CFR § 903.2** and the family does not want to accept the deconcentration offer.
  - g. A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members (each as listed on final application) or live-in aide necessary to the care of the principal household member.
  - h. The applicant family has a member with disabilities and the unit is not suitable for the member's disabilities.
  - i. The apartment has accessible features the family does not need, and the family does not want to be subject to a 30-day notice to move; or
  - j. An elderly or near-elderly family makes the decision not to occupy or accept occupancy in designated housing; or
  - k. The applicant is serving on a sequestered jury and cannot move at the present time.

#### C. Accessible Units

1. Before offering an accessible apartment<sup>11</sup> to a non-disabled applicant, LCHA will offer such units:
  - a. First, to a current public housing resident with a disability that requires the greatest numbers of the special features of the vacant apartment. **1224 CFR § 8.27(1) (a)**
  - b. Second, to an eligible qualified applicant on the waiting list having a disability that requires the greatest number of special features of the vacant apartment. **24 CFR § 8.27(1) (b)**
2. When offering an accessible/adaptable apartment to a non-disabled applicant, LCHA will require the applicant to agree to move to an available non-accessible apartment within 30 days when a current resident or an applicant with a disability needs the apartment. This requirement is also reflected in the lease. **24 CFR § 8.27 (2)**
3. If an applicant family includes a member with a visual or hearing impairment, the LCHA will quickly retrofit the unit (at LCHA's cost) to be offered to the family to make it fully accessible for the family member's disability whether or not two percent of the property's units are already accessible for persons with hearing or vision impairments.

#### D. Administering the Applicant and Transfer Waiting Lists

1. Applications for admission and transfer to and within public housing properties (including

<sup>9</sup> This reason is applicable to PHAs with site-based public housing waiting lists and does not apply to applicants who have chosen "first available unit"

<sup>10</sup> Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption

<sup>11</sup> An accessible unit is one that has been designed for use by a person using a wheelchair

<sup>12</sup> So a family with a member who uses a wheelchair will be offered an accessible unit before a family that needs a roll-in shower but has no members who use wheelchairs.

public housing units at tax credit properties) will be processed centrally by the Intake and Placement Office. Initial intake, waiting list management, screening, and assigning of housing (including transfers) will be made from the Intake and Placement office. Offers may be made in person, in writing or by phone from the central office.

2. Note: LCHA will be in charge of the application and transfer at process for ALL public housing units/properties. Applications for admission to the market rate units at Low Income Housing Tax Credit properties (if any) will be processed by site staff and audited monthly by LCHA.

#### E. Transfers

LCHA has two possible types of transfers: Emergency and Administrative. The definition of each is found in the Transfer section.

1. Certain transfers take precedence over new admissions (See paragraph B.1 of this section).
2. Tenants on the transfer list may refuse transfer offers for the “good cause” reasons without losing their position on the transfer list.
3. Tenants who refuse a transfer offer without good cause will be removed from the transfer list and tenants whose transfers are mandatory are subject to lease termination. **24 CFR § 955.4(c)**
4. Tenants may use the LCHA Grievance Procedure if LCHA is requiring them to transfer and they do not want to do so. **24 CFR § 966.50**

#### F. Monitoring Tenant Selection and Assignments

Detailed records of units offered, including the location, date, and circumstances for each acceptance, or refusal of an offer will be maintained and monitored using the LCHA *Procedure on Monitoring Tenant Selection and Assignment*.

#### G. Fair Housing

1. Complaints: LCHA will respond to all complaints received from Applicants and tenants who believe that their rights under the Fair Housing Act have been violated. A written record of each complaint including the date, name of the person making the complaint, names of all person(s) involved, investigation of the facts, record of the hearing, and the final decision regarding the complaint will be maintained by LCHA. Each complainant will be furnished a written notice of the decision or action taken.
2. Applicants will be advised of their right to file a complaint with the HUD Fair Housing and Equal Opportunity Office. Information outlining how to file complaints with HUD is posted in the Applications and Assignments office and at all LCHA housing developments

### **IV. Leasing Policies**

#### A. General Leasing Policy

1. Apartments will be leased without regard to race, color, religion, sex, age<sup>13</sup>, marital status, sexual orientation, gender identity, national origin, disability and family status. **24 CFR §§ 1.4 and 100**
2. All units must be occupied by families whose sole residence is the apartment. **24 CFR § 966.4(f)**
3. All units must be occupied pursuant to a signed LCHA lease that complies with HUD’s

<sup>13</sup> Except at those properties that are properly designated for Elderly families without children, only.

regulations **24 CFR § 966.4**.

4. LCHA will neither offer nor move a family into an apartment that does not meet basic standards of habitability, including HUD occupancy standards. **24 CFR § 966.4(e)**
5. The lease shall be signed by the head, spouse, and all other adult members of the family and by the authorized representative of LCHA, prior to actual admission **24 CFR § 966.4 (p)**
6. The manager shall provide an explanation of the lease provisions either prior to move-in or at the time of move-in. The explanation must be in a language understood by the Resident or in a manner intelligible to a person with disabilities.
7. Changes in family composition, income or family status between the eligibility interview and leasing will be processed by the Occupancy Division or site staff (see III.d.1 and 2 above). Changes after leasing will be processed by the Manager or other authorized representative of LCHA.
8. Security Deposit:  
Public Housing Properties:
  - a. The resident shall pay a security deposit at the time of leasing, or, with the permission of LCHA, shall be permitted to pay part of the security deposit at leasing and the remainder over the first six months of tenancy as a charge in addition to the rent.
  - b. The security deposit shall be the higher of the family's Total Tenant Payment or \$200 for an unit at a senior/disabled building, \$450 for a unit at a family property or scattered site unit
  - c. For all current residents, the amount of security deposit already paid shall not be increased while the resident lives at any LCHA property (including situations in which a family is transferred from one property to another).
9. Pet deposits are in addition to the security deposit, in accordance with LCHA's Pet Policy and Procedure. Assistive animals verified to be needed by residents with disabilities are not pets and pet deposits/pet fees are not required. **24 CFR § 966.4(b)(5)**
10. If a resident transfers from one property to another, the security deposit should be moved to the new unit and shall not be increased. If, after conducting a move out inspection of the previous unit, damages or other charges are owed, LCHA will charge the resident but will not use the security deposit to pay the charges. The disposition of the security deposit will only occur when the resident leaves the program. Pet fees are in addition to the security deposit, in accordance with LCHA's Pet Policy and Procedure. Assistive animals verified to be needed by residents with disabilities are not pets and pet fees are not required. **24 CFR § 966.4(b)(5)**
11. If a resident is transferred from one LCHA apartment to another, a new lease will be executed for the dwelling into which the family moves. **24 CFR § 966.4 (a)(ii)**
12. If at any time during the life of the lease agreement, a change in the resident's status results in the need for changing or amending any provision of the lease, either: **24 CFR § 966.4(c)**
  - a. A new lease agreement will be executed, or
  - b. A Notice of Lease Adjustment will be executed, or
  - c. An appropriate rider will be prepared and made a part of the existing lease.

All copies of such riders or insertions are to be dated and signed by the Resident and by

- the Executive Director or other authorized representative of LCHA. **24 CFR § 966.4 (o)**
13. At the time of leasing, the new resident will receive a copy of the applicable LCHA Lease and the following attachments:
    - a. Pet Policy;
    - b. Community Service Policy (public housing only);
    - c. Applicable City Ordinances (if applicable).
    - d. Other lease attachments as stipulated in Part 1 of the Lease.
  14. If, at any time, the head of household dies or leaves the unit for any reason (Institutionalization, forming a new household elsewhere), LCHA will permit the remaining members of the family to remain in the unit so long as:
    - a. The remaining family member(s) report the death or departure of the head within ten days of the occurrence;
    - b. There is still at least one adult member who was listed on the lease for the apartment
    - c. The family includes a person who is either an adult or an emancipated minor capable of executing a lease;
  15. Residents are not permitted to allow roomers or boarders to occupy their apartments. Violation of this provision is grounds for lease termination;
  16. Residents are not permitted to allow a former resident of LCHA who has been evicted to occupy their unit, even as a visitor. Violation of this provision is grounds for lease termination.
  17. Residents must advise LCHA if they will be absent from the apartment for more than 14 days. Residents shall notify the manager, secure the apartment and provide a means for LCHA to contact the resident in an emergency. Failure to advise LCHA of an extended absence is grounds for termination of the lease.
- B. Showing Units Prior to Leasing**
1. Applicants may have an opportunity to see the unit being offered or a similar sample unit before they accept the offer and lease the apartment.
  2. LCHA will not show nor move a family into a unit that does not meet basic habitability standards, including applicable LCHA occupancy standards.
- C. Additions to and Deletions from the Resident Family and Household**
1. Only persons listed on the most recent certification form and lease, or added in accordance with law or this policy, shall be permitted to occupy a dwelling unit **24 CFR § 966.4(a)(v)**.
  2. Children will be added to families if they are born to or adopted by a family member or a Court awards custody to an adult family member listed on the lease.
  3. Generally LCHA will approve the addition of an adult family or household member only when that individual passes screening, does not overcrowd the family in the unit they currently occupy, and the new adult will be the spouse of a current family member.
  4. Residents may be permitted to add Live-in Aides or Foster Children, but such additions require LCHA's advance written approval.
  4. Residents who permit unauthorized individuals to occupy their units are subject to lease termination and eviction.

#### D. Visitors

1. Overnight visitors are permitted in a dwelling unit in accordance with LCHA's *Procedure on Visitors* so long as they have no previous history of behavior on LCHA premises that would be a lease violation.
2. Residents must register all their overnight visitors with the property manager if the guests will stay overnight. The registration form permits LCHA to run a criminal history check on adult visitors who stay overnight, however LCHA will not run a criminal history check on a visitor unless LCHA has reason to believe the visitor actually lives in the LCHA unit or if LCHA receives complaints about the visitor's behavior from other residents or law enforcement personnel.
3. In LCHA properties a guest may visit overnight for a total of 14 days/nights in any twelve-month period.

### V. Transfer Policy

#### A. General Transfer Policy

1. Transfers are made within and between properties without regard to race, color, sexual orientation, gender identity, national origin, sex, religion, marital status or familial status. Residents can be transferred to accommodate a disability. Transfers will be made in accordance with LCHA's *Transfer Procedure*. **24 CFR § 100.5**
2. Residents will not be transferred to a dwelling unit of equal size except to alleviate hardship of the resident or other undesirable conditions as determined by the Executive Director or designee or as an incentive to high performing residents.
3. Residents will receive one offer of a transfer. Refusal of that offer without good cause will result in lease termination for mandatory transfers or the removal of the household from the transfer list for voluntary transfers. **24 CFR § 1.4(2)(ii)**
4. There is no notice requirement for emergency transfers. All other categories of transfers will be given 30 days' notice.
5. When possible, LCHA will allow a resident in good standing to choose the property to which to transfer for rehabilitation or redevelopment units so long as there are units of the right size and right type for the resident being transferred. Residents who are subject to mandatory transfers do not have the right to wait until a suitable unit is available at the property they prefer, rather each resident will receive a choice of the units available that are the right size and type.
6. Residents cannot be transferred across housing programs. This includes transfers from public housing (including ACC units in tax credit properties) to LIHTC market rate housing, but residents can be transferred within such properties.

#### B. Types of Transfers

1. The order in which families are transferred shall be hierarchic by category set forth below.
  - a. Emergency Transfers are mandatory and are made when LCHA determines that unit or building conditions pose an immediate threat to resident life, health or safety or to resolve problems of a life-threatening nature that are not related to building or unit conditions. **24 CFR § 966.4(h)**.

The following are considered emergency circumstance warranting an immediate transfer of the tenant or family:

- 1) Maintenance conditions in the resident's unit, building or at the site that pose an



immediate, verifiable threat to the life, health, or safety of the resident or family members that cannot be repaired or abated within 24 hours: Examples of such unit or building conditions would include: a gas leak, no heat in the building during the winter, no water, toxic contamination, and serious water leaks.

- 2) A verified incident of domestic violence, dating violence, sexual assault, or stalking: For instances of domestic violence, dating violence, sexual assault, or stalking, the threat may be established through documentation outlined in section 16-VII.D. In order to request the emergency transfer, the requestor must submit an emergency transfer request form (HUD-5383) (Exhibit 16-4 of this ACOP), although, the LCHA may waive this requirement in order to expedite the transfer process.
  - 3) The LCHA will immediately process requests for transfers due to domestic violence, dating violence, sexual assault, or stalking. The LCHA will allow a tenant to make an internal emergency transfer under VAWA when a safe unit is immediately available. The LCHA defines immediately available as a vacant unit, that is ready for move-in within a reasonable period of time, not to exceed 30 days. If an internal transfer to a safe unit is not immediately available, the LCHA will assist the resident in seeking an external emergency transfer either within or outside the LCHA's programs.
  - 4) The LCHA has adopted an emergency transfer plan, which is included as Exhibit 16-3 to this plan.
  - 5) LCHA is not required to give prior notice of an Emergency Transfer;
  - 6) Emergency conditions that occur due to resident abuse or neglect will be grounds for emergency transfers, however resident will be charged for the damages caused to the apartment<sup>14</sup>. **24 CFR § 966.4(h)**
  - 7) Refusal to accept an emergency transfer is grounds for lease termination and eviction.
- b. Administrative Transfers: These transfers shall take priority over new admissions.
- 1) Priority 1: Mandatory administrative transfers to permit LCHA to renovate, modernize, revitalize, demolish or dispose of a public housing property;
  - 2) Priority 2: Voluntary administrative transfers to move residents with disabilities to accessible units or units with features that accommodate their disabilities better than those in their current apartments.
- This category also includes mandatory transfers of tenants without disabilities from accessible units when no one in their family needs the accessibility features, to regular units so that a family that needs the accessibility features can occupy the accessible unit. **24 CFR § 8.27(1)**
- This transfer priority also covers transfers of individuals from independent living apartments to a property with enriched supportive services (if any) when such services are needed to preserve the tenancy of the individual with disabilities.
- 3) Priority 3: Mandatory transfers to move families out of units that are too large or too small for the families. Families in units that are too large shall be transferred before families in units that are too small. **24 CFR § 966.4(c)**
  - 4) Priority 4: Scattered Site Transfers of lease compliant tenants of Family

<sup>14</sup> Resident may challenge any charges for damages by using the LCHA Grievance Procedure

properties to available scattered site units.

2. Whenever feasible, transfers will be made within a resident's area or other location of the resident's choice, but residents do not have the right to delay a transfer because a unit in the location they prefer is not available at the time they are required to transfer.

#### C. Priorities for Transfers

1. As described in the Tenant Selection and Assignment Chapter of this policy, transfers will be sorted into their appropriate categories by the Intake and Placement staff. Offers of apartments will be made in the following order:
  - a. Emergency transfers;
  - b. Administrative transfers in the following category order:
    - 1) Priority 1: LCHA-initiated transfers to permit construction or revitalization
    - 2) Priority 2: Reasonable accommodations for residents with disabilities
    - 3) Priority 3: Over-housing and Overcrowding
    - 4) Priority 4: Scattered Site Transfers
  - c. New Admissions from the waiting list;

#### D. Residents in Good Standing

1. In general, and in all cases of all scattered site transfers, residents will be considered for transfers only if the head of household and other family members and guests under the resident's control:
  - a. Are current on rent without unpaid balance at any time in the past 12 months or current on a repayment agreement for the past 12 months;
  - b. Are current on utility payments to the utility supplier or are current with any repayment agreement with the LCHA or utility supplier;
  - c. Are in compliance with the terms of the lease and any additional terms required to be added to that lease by Federal law. Violations of the lease must be documented by notices of lease violations or other evidence of serious or repeated violations of the material terms of the lease;
  - d. Meet reasonable housekeeping standards and have no housekeeping lease violations as documented by housekeeping inspection reports or work orders reflecting a pattern of damage caused by poor housekeeping; and
  - e. Have not destroyed, defaced, damaged or removed any part of an apartment or the development as documented by housekeeping inspection reports or work orders reflecting a pattern of damage or abuse.
2. Exceptions to the good record requirements may be made for emergency transfers or when it is to LCHA's advantage<sup>15</sup> to make the transfer. The exception to the good record requirement will be made by the intake office taking into account the recommendation by the Manager.
3. Absent a determination of exception, the following policy applies to transfers:
  - a. If back rent is owed, the resident will not be transferred until a payment plan is established or, if prior payment plans have failed, back rent is paid in full.
  - b. A resident with housekeeping standards violations will not be transferred until he/she

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<sup>15</sup> e.g. a single person is living alone in a three bedroom unit and does not want to move

passes a follow-up housekeeping inspection.

#### E. Cost of Transfers

1. LCHA will pay the cost of transfers it initiates and reasonable accommodation transfers but not those due to changes in family size (overcrowding and over housing), or scattered site transfers;
2. Transfers in connection with modernization or revitalization will include moving expenses including the cost of disconnecting and reconnecting utilities.

### **VI. Annual Reexaminations of Income and Family Circumstances**

#### A. Eligibility for Continued Occupancy

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

1. Qualify as a family as defined in Section XIII of this policy.<sup>16</sup>
2. Are in full compliance with the resident obligations and responsibilities as described in the dwelling lease as documented by a lack of lease violation notices in their files. **24 CFR § 966.4(f)**
3. Whose family members each have verified Social Security numbers. **24 CFR § 5.216**
4. Who meet HUD standards on citizenship or immigration status or are paying a pro-rated rent **24 CFR § 5.5**
5. Who are in compliance with the LCHA's Community service requirements, if applicable.<sup>17</sup>
6. Who do not have net family assets valued at over \$100,000 HOTMA
7. Who do not own a home they could live in<sup>18</sup>. HOTMA
8. Who are in compliance with the net asset and property ownership restriction requirements. Net family assets that exceed \$100,000 (adjusted annually for inflation); and/or the family has a present ownership interest in, a legal right to reside in, and the effective legal authority to sell the real property (based on laws of the state or locality in which the property is located) that is suitable for occupancy by the family as a residence.

#### LCHA Policy

9. HOTMA - As permitted by HUD regulations LCHA opts to give all current public housing tenants who either have Net Family Assets worth over \$100,000 or who own a home they could live in six months from their recertification date to come into compliance with this provision, meaning:
  - a. They reduce the amount of their net family assets to an amount below \$100,000, or
  - b. They sell the house that they could live in.

If current public housing tenants come into compliance with the asset limits and "owning-a-home-they-could-live-in" rule, they will remain eligible to live in public housing. If they

<sup>16</sup> For purpose of continued occupancy, remaining family members qualify as a family so long as at least one of them is of legal age to execute a lease. Remaining family members can also include court recognized emancipated minors under age 18

<sup>17</sup> applicable to certain adults who are not exempted because they are elderly, disabled and unable to work, working, or participating in qualifying educational or job training programs

<sup>18</sup> <sup>18</sup> This standard will be met if a tenant owns a home that the tenant has no right to sell, is not suitable for the applicant's disabilities, is in uninhabitable condition, or is located too far from an applicant's work to make commuting feasible

fail to comply during the six month period, their leases must be terminated since they will no longer be eligible to live in public housing.

10. The LCHA will require a family to present ownership documentation of real property. In the case of VAWA, the LCHA will accept self-certification from the family member.

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

1. If the head of household dies or leaves the unit, continued occupancy by remaining family members is permitted only if:
  - a. The family reports the departure (or death) of the head of household within 10 days of the occurrence; and
  - b. The family includes a member who can pass screening and is either of legal age to execute a lease or is a Court-recognized emancipated minor; and
  - c. The new head signs a new lease within 10 calendar days of the departure/death of the former head.
2. Remaining family members age 18 years or older will be held responsible for debts incurred by the former head or spouse.
3. LCHA will not hold remaining family members (other than the head or spouse) responsible for any portion of the debt incurred before the remaining member attained age 18.

**C. Reexaminations**

1. Regular reexaminations: LCHA shall, at least once every 12 months, re-examine the family composition and incomes of all resident families, except that public housing families paying Flat Rent shall have their incomes reexamined only every three years. LCHA may take a streamlined approach to the verification of income for families with fixed incomes, using COLA percentages and interest rates rather than independent verification every third year. **24 CFR § 960.257**
2. Public housing families paying Flat Rent shall have their incomes reexamined only every three years.
3. Special Reexaminations: When it is not possible to estimate family income accurately, a temporary determination will be made with respect to income and a special reexamination will be scheduled every 120 days until a reasonably accurate estimate of income can be made. **24 CFR § 5.609(d)**
4. A special reexamination shall be conducted when there is a change in the head of household that requires a remaining family member to take on the responsibilities of a leaseholder. **24 CFR § 960.257**
5. Zero Income Families: Unless the family has income that is excluded for rent computation (e.g. the family receives state funding for the care of foster children), families reporting zero income will have their circumstances examined every 90 days until they have a stable income. As required by Federal regulations, monetary or non-monetary contributions from persons not residing in the dwelling unit for any purpose other than the payment or reimbursement of medical expenses shall be considered income. **24 CFR § 5.609**
6. If LCHA is terminating the lease of a resident when the resident is scheduled for reexamination, the reexamination will be completed but a new lease will not be executed:
  - a. If LCHA prevails in the lease termination action, a new lease will not be executed,

- and the resident will be evicted;
- b. If the resident prevails in the lease termination action, a new lease will be executed.
7. Action Following Reexamination: If there is any change in rent, a Notice of Rent Adjustment will be issued. **24 CFR § 966.4(a)(3)**
    - a. If any change in the apartment size is required, the resident will be placed on a transfer list in accordance with the transfer criteria described above in this policy and moved to an appropriate apartment when one becomes available. **24 CFR § 966.4(c)(3)**
  8. The Notice of rent adjustment will include the current rent, the new rent, the date when the new rent takes effect, the reason for the rent adjustment, and the fact that the resident has the right to request a Grievance hearing if he/she disagrees with or does not understand the new rent.
  9. Effective Date of Adjustments
    - a. Residents will be notified in writing of any rent adjustment including the effective date of the adjustment.
    - b. Rent decreases go into effect the first of the month following the report of a change. Income decreases reported or verified after the tenant accounting cut-off date will be effective the first of the second month with a credit retroactive to the first month.
    - c. Rent increases (except those due to misrepresentation) require 30 days' notice and become effective the first day of the following month.
    - d. Rent increases due to misrepresentation are retroactive to the first of the month following the event that was misrepresented or not reported.

#### D. Over-Income Tenants

1. If a Tenant's projected income at the time of annual reexamination or interim adjustment exceeds the over-income limit for continued occupancy (120 percent of Area Median Income, adjusted for family size) the LCHA will inform the Tenant that if their income continues to exceed this income limit at their annual reexamination for 24 more consecutive months the Tenant must find new housing and move out of their public housing unit within six months of the end of the 24 month "grace period".
2. When LCHA first becomes aware of the tenant's over-income status they will inform the tenant of their policy and schedule another reexamination of their income twelve months from the date the tenant was first over-income.
3. At the twelve month reexamination LCHA will, once again explain their policy requiring all tenants who are over-income for 24 consecutive months to move out of public housing.
4. Finally, LCHA will perform another income reexamination 24 months after the initial determination. If at this point the family income still exceeds the over-income limit the family will be given notice that they have six months to find alternative housing and move out of public housing or face eviction<sup>19</sup>. In addition, at this point the LCHA will convert the tenant's lease from an annual lease to month-to-month.
5. LCHA will also inform all over-income tenants, both at the initial determination and at the 12 month reexam that if their income should decrease below the over-income limit

<sup>19</sup> As an alternative to requiring the family to move 6 months, the LCHA may establish a policy permitting the over-income to stay in place as a non-public housing tenant. The tenant must sign a non-public housing lease and pay a rent based on the higher of the HCV Fair Market Rent or a rent based on the PUM value of operating and capital subsidy attributable to their unit.

during the 24 months “grace period” that they will be permitted to remain as public housing tenants.

6. If an over-income tenant’s income decreases below the over-income limit during the 24 month grace period and subsequently increases over the limit, the tenant is once again entitled to the full 24 month grace period.

## **VII. Interim Rent Adjustments: Modified Fixed Rent System**

### **A. Adjusting Rent between Regular Reexaminations**

1. **Residents are required to report all changes in family composition or status** to the LCHA within 10 calendar days of the occurrence. Failure to report within the 10 calendar days may result in a retroactive rent increase, but not a retroactive credit or rent reduction. In order to qualify for rent reductions, residents must report income decreases promptly. **Residents are also required to report interim increases in income if they have been granted interim rent reductions or have previously reported zero income.**
2. Under the **HOTMA** regulation, LCHA is not required to perform interim rent adjustments if they believe that the difference in a family’s annual income (either an increase or a decrease) will amount to a difference of less than 10 percent.
3. In addition, LCHA may decline to do interim adjustments in the last 3 months before a family’s annual or biennial reexamination. If failing to perform an interim adjustment will make it impossible for a family to pay rent, the LCHA may conduct the interim adjustment in the last 3 months before the reexamination.
4. LCHA wishes to encourage families to improve their economic circumstances, so some changes in family income between reexaminations will not result in a rent change. LCHA will process interim changes in rent in accordance with the chart below:

INCOME CHANGE	LCHA ACTION
(a) Decrease in income for any reason, except for decrease that lasts less than 30 days, is subject to Imputed Welfare Income rules <sup>20</sup> , or will decrease annual income by less than 10 percent.	• Process interim rent reduction if income decrease will last more than 30 days, is not subject to Imputed Income rules or is more than 10 percent of annual income. <b>24 CFR § 5.609</b>
(b) Increase in verified family deductions	• Process interim rent reduction if income decrease will last more than 30 days and reduces adjusted I income by more than 10 percent. <b>24 CFR § 5.609</b>
(c) Increase in income following LCHA granting interim rent decrease.	• Process interim rent increase for income increases after interim rent reductions.
(d) Increase in earned income from the employment of a current household member.	• Defer rent increase until next regular reexam unless the family has had an interim rent reduction in the reexam period. <b>24 CFR § 960.255</b>

<sup>20</sup> Decreases in welfare income resulting from welfare fraud or from cuts for failure to comply with economic self-sufficiency requirements are not eligible for rent reductions (**24 CFR § 5.615**).

(e) Increase in unearned income (e.g., COLA adjustment for social security).	• Defer rent increase to the next regular reexam unless the increase is more than 10 percent of annual income.
(f) Increase in income because a person with income (from any source) joins the household.	• Conduct an Interim Redetermination of the family's income and raise the rent.
(g) Increase in income because Tenant misrepresented income or deductions.	• Conduct an Interim Redetermination of the family's income and raise the rent retroactively to the date of the misrepresentation or terminate the lease.
(h) Increase in monetary or non-monetary income after Resident claims zero income	• Process an interim rent increase.

5. LCHA will process an interim increase in rent only if
  - a. The change in income will be a decrease or increase of more than 10 percent of annual income.
  - b. the resident has misrepresented or failed to report facts upon which rent is based, so the rent the Resident is paying is less than it should have<sup>21</sup>; or
  - c. the resident's income increases after the resident was granted an interim decrease in rent; or
  - d. the resident reported zero income and has a verified increase in income (that may be a non-monetary contribution); or
  - e. a person with income joins the household.
6. Complete verification of the circumstances applicable to rent adjustments must be documented and approved by the LCHA. **24 CFR § 960.259(c)**
7. LCHA will process interim decreases in rent as follows:
  - a. When a decrease in income is reported, and PHA verifies that the decrease will last less than 30 days, an interim adjustment will not be processed.
  - b. The PHA will not process interim rent decreases if the reduction in the annual income is less than 10 percent of annual income.
  - c. Residents reporting decreases in income that are expected to last more than 30 days will have an interim adjustment processed except in the three months before the family's next regular reexamination.
8. Residents granted a reduction in rent are required to report for special reexaminations at intervals determined by the Housing Manager. Reporting is required until income increases or it is time for the next regularly scheduled reexamination, whichever occurs first.
9. If residents experience a decrease in income from public assistance because their grant is cut for one of the two following reasons, their rent will not be reduced:
  - a. Welfare department has reduced the grant because of welfare fraud; or

<sup>21</sup> PHA will apply any increase in rent retroactive to the month following the month in which the misrepresentation occurred.

- b. Welfare department has reduced the grant because the family failed to comply with economic self-sufficiency requirements.
  10. If a resident challenges the welfare department's reduction of their grant, an interim reduction in rent will not be processed until the matter is settled by the welfare department.
  11. If the welfare department upholds the grant reduction, the resident shall owe a retroactive rent on the interim rent reduction granted in "8" above.
  12. If the welfare department overturns the grant reduction, no retroactive balance is owed. See LCHA Procedure on Imputed Welfare Income
- B. Interim Changes in Family Composition**
1. All changes in family composition must be reported within ten days of occurrence. Certain types of changes do not require LCHA advance approval but they must be reported within ten days if occurrence, including:
    - a. Someone listed on the lease leaving the unit;
    - b. Birth, adoption or court-awarded custody of a child;
  2. Additions of the following persons must be requested in writing and require written permission from LCHA **before** the persons may move into the apartment:
    - a. Adult family member (including a new spouse);
    - b. Foster child or children;
    - c. Foster adult;
    - d. Live-in Aide;
    - e. Child in kinship care.
  3. All adults who are proposed for addition to a family or household must be screened by the occupancy division and, with the exception of Live-in Aides, must not overcrowd the unit.
  4. When the change in family size would require the family to transfer to a smaller or larger unit, the family will be placed on the transfer list as soon as the change in family circumstances is verified. Transfers will be processed in accordance with this policy.
- C. Effective Date of Rent Adjustments**
- Residents will be notified in writing of any rent adjustment including the effective date of the adjustment.
1. Rent decreases go into effect the first of the month following the report of a change. Income decreases reported or verified after the tenant accounting cut-off date will be effective the first of the second month with a credit retroactive to the first month.
  2. Rent increases (except those due to misrepresentation) require 30 days' notice and become effective the first of the second month after the circumstances leading to the increase.
- D. Earned Income Disallowances: Public Housing Properties/ACC Residents ONLY**
- E.** Effective 1/1/2024 the Earned Income Disallowance is not longer in effect. After that date the only tenants who will be receiving EIDs are those who qualified before 12/31/2023.

### **VIII. Lease Termination Policies**

#### **A. General Policy: Lease Termination**

Either LCHA or the Resident may terminate tenancy at any time in accordance with all applicable Federal, State and local laws and the lease terms **24 CFR § 966.4(I)**

#### **B. Resident-initiated Lease Terminations**

Resident may terminate tenancy by providing 30 days' written notice to LCHA or property manager.

#### **C. LCHA-initiated Lease Terminations**

1. LCHA or its manager shall terminate the lease only for serious or repeated violations of the material provisions of the lease or other good cause. **24 CFR § 966.4(I)**
2. Manager shall give written notice of proposed lease termination in the form required by the lease and applicable regulations, in English or other language used by the lower of 1000 people or five percent of the eligible population of Lake County, or, in the case of a resident with disability, in the format requested by the resident **24 CFR § 966.4(I)**
3. In accordance with the lease and grievance procedure, LCHA shall notify Resident in the lease termination notice of Resident's grievance rights if the lease termination is subject to the Grievance Procedure.
4. LCHA is sensitive to the possibility that certain actions of a resident may be related to or the result of domestic violence, dating violence or stalking (see Definitions in Section XIII) and will offer a resident in this situation an opportunity to verify such facts.

The Violence Against Women Act protects individuals who are the victims of such crimes and misdemeanors from lease termination and eviction for criminal activity related to their victimization. Victims have 14 days to provide documentation of their status.

5. If a non-exempt member of a resident family fails to comply with the 8 hour per month Community Service requirement, the entire family may be subject to lease termination. In such cases the resident and the Authority may enter into a contract to make up the delinquent service hours within the 12 months following the period for which hours are delinquent. If, at the end of the second year, the individual fails to perform both the current and delinquent hours agreed to, the Authority will not renew the lease and will terminate tenancy.
6. The community service requirement does not apply to properties that are project-based Section 8 or low income housing tax credit units that do not receive HUD public housing operating subsidy.

#### **D. Notification Requirements**

1. The Authority's written Notice of Lease Termination will state the reason for the proposed termination, the section of the lease violated, the details of the reason for termination, the date the termination will take place and will indicate the tenant's rights under state law and this policy.
2. The Notice of Termination may run concurrent with any Notice to Vacate or other notification required by Illinois law.
3. Notices of lease termination may be personally served on a member of the tenant household who is at least 15 years old, may be taped to the inside of the front door of the unit, or may be mailed by first class mail.

4. When the Authority terminates the lease, written notice will be provided as follows:
  - a. 14 days prior to termination for failure to pay rent;
  - b. 3 days prior to termination, consistent with the exigencies of the situation in cases of violent or drug-related criminal activity that threatens other residents, staff, or neighbors of the property;
  - c. At least 30 days prior to termination in all other cases.

#### E. Eviction Actions

1. LCHA may evict a resident only by bringing a Court action.
2. The Constable's office or another legally authorized department is the only entity authorized to execute an eviction.
3. If LCHA files an eviction action against a resident, the resident will be liable for Court costs, including attorney's fees, unless the resident prevails in the action;
4. LCHA is not required to prove that the resident knew or should have known that a family member, household member, guest, or other person under the resident's control was engaged in the action that violated the lease. The resident must prove this defense by the preponderance of the evidence.
5. In deciding whether or not to evict for criminal activity LCHA may consider all the circumstances of the case, including the seriousness of the offense, the extent of participation by family members and the effect that the eviction would have on family members not involved in the proscribed activity.
6. In appropriate cases of criminal activity by a family member other than the head or spouse, LCHA may permit continued occupancy by remaining family members and may impose a condition that the family members who engaged in the proscribed activity will neither reside in nor visit the dwelling unit or the property.
7. LCHA may require a resident who has engaged in the illegal use of drugs to present evidence of successful completion of a treatment program as a condition to be allowed to visit and/or reside in the dwelling unit.
8. LCHA may require that the remaining family members live in strict compliance with the lease and that the family be placed on lease probation for an appropriate period of time.
9. Once an eviction occurs, the Authority shall notify the Post Office that mail should no longer be delivered to the tenant at the dwelling unit.
10. When a member of a tenant family commits domestic violence against another member of the tenant family the LCHA may bifurcate the lease and evict only the person committing the violence, permitting the remainder of the family to stay in the unit in accordance with the Violence Against Women Act.

#### F. Record keeping Requirements

1. A written record of every termination and/or eviction shall be maintained by LCHA, and shall contain the following information:
  - a. Name of resident, resident's race and ethnicity, number and identification of apartment occupied;
  - b. Date of the Notice of Lease Termination and any other state or local notices required, which may be on the same form and run concurrently;

- c. For lease terminations for criminal activity, a note in the file with the date, case number and source of information relating to the Notice of Arrest or Notice of the Incident;
- d. For “cause” lease terminations, copies of any occurrence reports, lease violation notices, or other appropriate documentation of the underlying facts surrounding the incident that is the subject of the eviction;
- e. Specific reason(s) for the Notice(s), with section of the lease violated, and other facts pertinent to the issuing of the Notice(s) described in detail;
- f. Date and method of notifying resident; and
- g. Summaries of any conferences held with resident including dates, names of conference participants and conclusions;
- h. Copy of the served Termination Notice;
- i. Copy of any agreed settlement orders;
- j. Copy of any post-judgment agreements.

### **IX. Utilities**

#### **A. Resident-Paid Utilities 24 CFR § 965 & 966.4(b)(2)**

The following requirements apply **only** to residents living in developments with resident-paid utilities:

1. In units with Resident-paid utilities, paying the utility bill in a timely manner is an obligation under the lease and failure to pay in a timely manner is a serious violation of the lease, subject to lease termination. **24 CFR § 960.253(c)(3) and 966.4(b)**
2. If a resident or applicant is unable to get utilities connected in his/her own name because of bad credit or a previous balance owed to the utility company at a prior address, the resident or applicant will not be permitted to move into a unit with resident-paid utilities. Depending upon the size and type of unit an applicant needs, the inability of an applicant to get utilities connected may cause the application to be rejected. **24 CFR § 960.203**
3. When a resident makes application for utility service in his/her own name, he or she is required to sign a third-party notification agreement so that LCHA will be notified if the resident fails to pay the utility bill.
4. Each resident will receive a monthly Utility Allowance that reflects a reasonable amount of utilities for the specific size and type of apartment occupied. **24 CFR § 5.609**
5. Residents who pay their utility bills directly and are paying an income-based rent have the amount of rent owed to LCHA reduced by the amount of the Utility Allowance. In other words, the resident’s Total Tenant Payment, less the Utility Allowance equals the Tenant Rent owed to LCHA.
6. When a resident’s Total Tenant Payment is less than the utility allowance, LCHA will pay a utility reimbursement, equal to the difference between one month’s total tenant payment and the utility allowance by issuing a debit card to qualifying residents and loading the utility reimbursement amount to the card every month. **24 CFR § 5.632.**
7. Residents on whose behalf Utility Reimbursements are paid are required to pay the utility supplier for any use in excess of that covered by the Utility Allowance;
8. If the resident’s actual utility bill is less than the Utility Allowance, the resident receives the saving.

9. Residents who have elected to pay a Flat Rent do not receive a utility allowance. The value of the utilities paid by the resident have already been deducted from the Flat Rent.

B. Excess Utility Charge

1. In buildings where utilities are not individually metered and there are no check meters (all-bills-paid properties), LCHA may make excess utility charges for the use of certain resident-supplied appliances in excess of those supplied by LCHA. Examples include:
  - a. Second refrigerator;
  - b. Freezer

C. Reasonable Accommodations 24 CFR § 8.4 and 966.7

1. Residents with disabilities may be entitled to higher than normal utility allowances or may not be charged for the use of certain resident-supplied appliances if there is a verified need for special equipment because of the disability.

**X. Flat Rents and Ceiling Rents**

A. Flat Rents

1. Flat rents shall be determined in accordance with HUD regulations and cannot be less than 80 percent of the applicable HCV Fair Market Rent.
2. Flat rents vary by apartment size and type and also by development location.
3. Flat rents payers do not receive a utility allowance. An apartment with resident-paid utilities will have a lower flat rent than the same apartment with project-paid utilities.

B. Annual Update of Flat Rents

1. LCHA shall review the Flat Rent structure annually and adjust the rents as needed.
2. Flat rents may either be increased or decreased based on HUD's published Fair Market Rents.
3. When a resident chooses Flat rent, his/her rent shall be adjusted only at the next annual reexamination rather than when LCHA may revise the Flat rents.

C. Choice of Rent

1. Once each year, beginning with admission and continuing at each annual reexamination, each family is offered a choice between paying the income-based rent and the Flat rent applicable to the unit they will be occupying.
2. Because of the way the Federal law is written, choice of Flat rent may only be offered at admission and annual reexamination.

D. Recertification of Families on Flat Rents

Families paying flat rents are required to recertify income only every three years, rather than annually, although they are still required to participate in an Annual Reexamination in order to ensure that apartment size is still appropriate and Community Service requirements (if applicable) are met. **24 CFR § 960.257 (a)(2)**

E. Hardship Reduction in Flat Rents

1. If a resident who opted for Flat Rent experiences a decrease in income, Management will perform an Interim Reexamination of Income.
2. If the reduction in income will last more than 30 days, Management will reduce rent to the income-based rent based on verified income information. **24 CFR § 960.253 (f)**

3. If the Resident's income rises again before the annual reexamination, the resident can pay the ceiling rent until the next annual reexamination.

F. Ceiling Rents

1. If a family paying a Flat Rent has a hardship reduction and then experiences an income increase, the family will be offered a "Ceiling Rent". Ceiling rent is equal to the Flat Rent for the unit plus the applicable utility allowance (because Flat rents do not have utility allowances and ceiling rents do have utility allowances.)

**XI. Determining Income and Rent**

A. Annual Income 24 CFR § 5,609

Annual income includes, with respect to the family:

1. All amounts not specifically excluded in the list of excluded income below, received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse of the head of household, plus unearned income by or on behalf of each dependent who is under 18 years of age, and
2. When the value of net family assets exceeds \$50,000 (which amount HUD will adjust in accordance with the Consumer Price Index) and the actual returns from a given asset cannot be calculated, imputed returns on the asset based on the current passbook savings rate, as determined by HUD

B. Excluded Income 24 CFR § 5.609(b)

Annual Income does not include the following:

1. Any imputed return on an asset when net family assets total \$50,000 or less (which amount HUD will adjust annually in accordance with the Consumer Price Index) and no actual income from the net family assets can be determined. Actual income from assets will be included.
2. The following types of trust distributions:
  - a. For an irrevocable trust or a revocable trust outside the control of the family or household excluded from the definition of net family assets
    - 1) Distributions of the principal or corpus of the trust; and
    - 2) Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.
  - b. For a revocable trust under the control of the family or household, any distributions from the trust; except that any actual income earned by the trust, regardless of whether it is distributed, shall be considered income to the family at the time it is received by the trust.
3. Earned income of children under the age of 18 years.
4. Payments received for the care of foster children or foster adults, or State or tribal kinship or guardianship care payments.
5. Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance and worker's compensation.
6. Amounts received by the family that are specifically for or in reimbursement of, the cost of health and medical care expenses for any family member,

7. Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled.
8. Income of a live-in aide, foster child or foster adult.
9. Certain student financial assistance to students as provided below:

Excluded Student Financial assistance covers assistance for tuition, books, and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and other fees required and charged to a student by an institution of higher education, and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit

With respect to student financial assistance the following is excluded:

- a. Any assistance that section 479B of the Higher Education Act of 1965 requires to be excluded from a family's income,
- b. Plus, any of the following up to the total amount of Excluded Student Financial assistance as defined above received from:
  - 1) The Federal government.
  - 2) A State, Tribal or local government.
  - 3) A private foundation registered as a nonprofit under 502(c)(3).
  - 4) A business entity (such as a corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation or nonprofit entity; or
  - 5) An institution of higher education.

**Student financial assistance that is included in Annual Income includes:**

- a. Financial support provided to the student in the form of a fee for services performed (e.g., a work study or teaching fellowship that is not excluded)
  - b. Gifts including gifts from family or friends
  - c. Any amount of scholarship or grant that, either by itself or in combination with assistance excluded in 9.a above, exceeds the **excluded Student Financial Assistance** defined in 9 above.
10. Income and distributions from any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under section 529 of such Code; and income earned by government contributions to, and distributions from, "baby bond" accounts created authorized, or funded by Federal, State, or local government.
  11. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
  12. Additionally excluded are:
    - a. Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
    - b. Amounts received by a participant in other publicly assisted programs that are

- specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) to allow participation in a specific program.
- c. Amounts received under a resident service stipend not to exceed \$200 per month. A resident service stipend is a modest amount received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development.
  - d. Incremental earnings and/or benefits resulting to any family member from participation in qualifying state or local employment training program funded by HUD or in qualifying Federal, State, Tribal, or local employment training programs (including training programs not affiliated with a local government) 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 the period during which the family member participates in the employment training program unless those amounts are excluded under Paragraph 9 above.
13. Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
  14. Earned income of dependent full-time students in excess of the amount of the deduction for a dependent.
  15. Adoption assistance payments in excess of the amount of the deduction for a dependent.
  16. Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts. But the periodic payments from these sources are income.
  17. Payments related to aid and attendance under 38 USC 1521 to veterans in need of regular aid and attendance.
  18. 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.
  19. Payments made by or authorized by a State Medicaid agency (including through a managed care entity) or other State or Federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit. Authorized payments may include payments to a member of the assisted family through the State Medicaid agency (including through a managed care entity) or other State or Federal agency for caregiving services the family member provides to enable a family member who has a disability to reside in the family's assisted unit.
  20. Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g., proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car).
  21. Payments received by Tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such payments are also excluded from gross income under the Internal Revenue Code or other Federal law.

22. 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 by HUD in the Federal Register identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.)

The following is a list of benefits excluded by other Federal Statute:

- a. The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977; **7 USC 2017 (h)**
- b. Payments to volunteers under the Domestic Volunteer Service Act of 1973; **42 USC 5044 (g), 5088**

Examples of programs under this Act include but are not limited to:

- the Retired Senior Volunteer Program (RSVP), Foster Grandparent Program (FGP), Senior Companion Program (SCP), and the Older American Committee Service Program.
  - National Volunteer Antipoverty Programs such as VISTA, Peace Corps, Service Learning Program, and Special Volunteer Programs.
  - Small Business Administration Programs such as the National Volunteer Program to Assist Small Business and Promote Volunteer Service to Persons with Business Experience, Service Corps of Retired Executives (SCORE), and Active Corps of Executives (ACE).
- c. Payments received under the Alaska Native Claims Settlement Act; **43 USC.1626 (a)**
  - d. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes; **25 USC. 459e**
  - e. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program; **42 USC 8624 (f)**
  - f. Income derived from the disposition of funds of the Grand River Band of Ottawa Indians; **P. L. 94-540, 90 State 2503-04**
  - g. The first \$2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims **25 USC 1407-08**, or from funds held in trust for an Indian Tribe by the Secretary of Interior; and **25 USC 117b, 1407**
  - h. Payments received from programs funded under Title V of the Older Americans Act of 1965: **42 USC 3056 (f)**
    - Examples of programs under this act include but are not limited to: Senior Community Services Employment Program (CSEP), National Caucus Center on the Black Aged, National Urban League, Association National Pro Personas Mayores, National Council on Aging, American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb.
  - i. Payments received after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established in the In Re Agent Orange product liability litigation.
  - j. Payments received under Maine Indian Claims Settlement Act of 1980; **P.L. 96-420,94 Stat. 1785**
  - k. The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the

Child Care and Development Block Grant Act of 1990; 42 **USC 9858q**

- I. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation.
  - m. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990.
  - n. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act.
  - o. Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998.
  - p. Kinship Guardian assistance payments and other guardianship care payments.
  - q. Any amount received under the School Lunch Act and the Child Nutrition Act of 1966, including reduced price lunches and food under WIC.
  - r. Payments, funds or distributions authorized, established or directed by the Seneca Nation Settlement Act of 1990.
  - s. Compensation received by or on behalf of a veteran for service connected disability, death, dependency or indemnity compensation as provided by the Indian Veterans Housing Opportunity Act of 2010.
  - t. A lump sum or a periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the case *Elouise Cobell et al v Ken Salazar*.
  - u. Any amounts in an “individual development account” as provided by the Assets for Independence Act, as amended in 2002 (Pub. L. 107–110, 42 U.S.C. 604(h)(4)).
  - v. Per capita payments made from the proceeds of Indian Tribal Trust Cases as described in PIH Notice 2013–30 “Exclusion from Income of Payments under Recent Tribal Trust Settlements” (25 U.S.C. 117b(a)); and
  - w. Major disaster and emergency assistance received by individuals and families under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 93–288, as amended) and comparable disaster assistance provided by States, local governments, and disaster assistance organizations (42 U.S.C. 5155(d)).
23. Replacement housing “gap” payments that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to another. Such payments are not excluded from annual income if the increased cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing “gap” payments.
24. Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under this paragraph, even if the source, date, or amount of the income varies.

Nonrecurring income includes:

- a. Payments from the US. Census Bureau for employment (relating to decennial census or the American community Survey) lasting no longer than 180 days and not culminating in permanent employment.
- b. Direct Federal or State payments intended for economic stimulus or recovery.

- c. Amounts directly received by the family as a result of State refundable tax credits or State tax refunds at the time they are received.
  - d. Amount directly received by the family as a result of Federal refundable tax credits and Federal tax received the time they are received.
  - e. Gifts for holidays, birthdays or other significant life events or milestones (e.g., wedding gifts, baby showers, anniversaries).
  - f. Non-monetary, in-kind donations, such as food, clothing or toiletries received from a food bank or similar organization.
  - g. Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings.
25. Civil rights settlements or judgments, including settlements of judgments for back pay.
26. Income received from any account under a retirement plan recognized as such by the IRS, including individual retirement arrangements (IRAs), employer retirement plans, and retirements plans for self-employed individuals; **except that any distribution of periodic payments from such accounts shall be income at the time they are received by the family.**
27. Income earned on amounts placed in a family's Family Self Sufficiency Account.
28. Gross income a family member receives through self-employment or operation of a business except that the following shall be considered income to a family member:
- a. Net income from the 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 IRS regs, and
  - b. Any withdrawal of cash or assets from the operation of a business or profession will be included in income except to the extent that the withdrawal is reimbursement of case or assets.
- C. Anticipating Annual Income 24 CFR § 5.609(d)
- If it is not feasible to anticipate income for a 12-month period, the Authority may use the annualized income anticipated for a shorter period, subject to an Interim Adjustment at the end of the shorter period. (This method would be used for school bus drivers or classroom aides who are only paid for 9 months, or for tenants receiving unemployment compensation.)
- D. Adjusted Income 24 CFR § 5.611
- Adjusted income means annual income as determined above of the members of the family residing or intending to reside in the dwelling unit, after making the following deductions:
- 1. \$480 for each dependent, which amount will be adjusted by HUD annually in accordance with the Consumer Price Index, rounded to the next lowest multiple of \$25.
  - 2. HOTMA \$525, Pre HOTMA \$400 for any elderly family or disabled family, which amount will be adjusted annually in accordance with the Consumer Price Index, rounded to the next lowest multiple of \$25.
  - 3. The sum of the following, to the extent the sum exceeds five percent of annual income:
    - a. Unreimbursed health and medical care expenses of any elderly family or disabled family; and

- b. Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with a disability, to the extent necessary to enable any member of the family (including the members who is a person with a disability) to be employed. This deduction may not exceed the combined earned income received by adult family members who are able to work because of such attendant care or auxiliary apparatus; and
4. Any reasonable childcare expenses necessary to enable a member of the family to be employed or to further his or her education.
5. Financial hardship exemption for unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses. Phased-in relief:
  - a. Eligibility for relief: To receive hardship relief the family must have received a deduction from annual income because the sum of
    - 1) unreimbursed expenses for health and medical care, plus
    - 2) unreimbursed care and apparatus expenses for a disabled family member that permit a family member to work
    - 3) **that exceeded 3 percent of annual income**
  - b. Form of relief:
    - 1) Beginning with the first recertification after 1/1/2024, the family will receive a deduction totaling the sum of
      - a) unreimbursed expenses for health and medical care, plus
      - b) unreimbursed care and apparatus expenses for a disabled family member that permit a family member to work
      - c) **that exceed 5 percent of annual income.**
    - 2) At the second annual recertification (12 months after the recertification in b.1) above), the family will receive a deduction totaling the sum of
      - a) unreimbursed expenses for health and medical care plus
      - b) unreimbursed care and apparatus expenses for a disabled family member that permit a family member to work
      - c) that exceed 7.5 percent of annual income.
    - 3) At the third annual recertification (24 months after the recertification in b.1) above) the family must receive a deduction totaling the sum of
      - a) unreimbursed expenses for health and medical care, plus
      - b) unreimbursed care and apparatus expenses for a disabled family member that permit a family member to work
      - c) that exceed 10 percent of annual income.
6. Additional relief may be available financial relief for an elderly or disabled family or a family that includes a person with disabilities that is experiencing financial hardship.
  - a. Eligibility for relief: To receive hardship relief under this paragraph, a family must demonstrate that the family's applicable health and medical care expenses or reasonable attendant care and auxiliary apparatus expenses increased, or the family's financial hardship is a result of a change of circumstances (as defined by the

- PHA) that would not otherwise trigger an interim reexamination.
- b. Relief under this paragraph is available regardless of whether
    - 1) the family previously received deductions under paragraph 5.b above,
    - 2) is currently receiving relief under paragraph 5.b above, or
    - 3) previously received relief under paragraph 5.b above.
  - c. Form and duration of relief.
    - 1) The family will receive a deduction for the sum of
      - a) unreimbursed expenses for health and medical care, plus
      - b) unreimbursed care and apparatus expenses for a disabled family member that permit a family member to work
      - c) that exceed 5 percent of annual income.
    - 2) The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable or after 90 days, whichever comes earlier. However, PHAs may, at their discretion extend the relief for one or more additional 90-day periods while the family's hardship continues.
    - 3) This PHA's policy is to continue this relief until the circumstances that made the family eligible for the relief are no longer applicable.
- E. Computing Income-based Rent and Choice of Rent in Public Housing **24 CFR § 5.628**
1. Total Tenant Payment (TTP)
    - a. The first step in computing income-based rent is to determine each family's Total Tenant Payment or TTP.
    - b. Then, if the family is occupying an apartment that has tenant-paid utilities, the Utility Allowance is subtracted from the Total Tenant Payment.
    - c. The result of this computation, if a positive number, is the Tenant Rent.
    - d. If the Total Tenant Payment minus the Utility Allowance is a negative number, the result is the utility reimbursement, which is paid directly to the utility company by the LCHA.
  2. Total Tenant Payment (income-based rent) is the higher of:
    - a. 30% of adjusted monthly income;or
    - b. 10% of monthly income;but never less than the
    - c. Minimum Rent of \$50;and not more than the
    - d. Flat Rent, if chosen by the family
  3. Tenant rent
    - a. Tenant rent is computed by subtracting the utility allowance for tenant supplied utilities (if applicable) from the Total Tenant Payment.
    - b. In developments where the LCHA pays all utility bills directly to the utility supplier, Tenant Rent equals Total Tenant Payment. **24 CFR § 5.634**

#### 4. Minimum Rent

- a. The public housing Minimum Rent shall be \$50 per month.

#### 5. Minimum rent hardship exemption

A hardship exemption shall be granted to residents who can document that they are unable to pay the minimum rent because of a long-term hardship (over 90 days). Examples of situations under which residents would qualify for the hardship exemption to the minimum rent are limited to the following: **24 CFR § 5.630**

- a. The family has lost eligibility for or is applying for an eligibility determination for a Federal, State or local assistance program;
- b. The family would be evicted as result of the imposition of the minimum rent requirements;
- c. The income of the family has decreased because of changed circumstances, including loss of employment;
- d. A person with income has left the family;
- e. A death in the family has occurred;
6. Being exempted from paying minimum rent does not mean the family automatically pays nothing. Instead, the family is required to pay the greater of 30% of Adjusted Monthly Income or 10 percent of monthly income.
7. Choice of Rent (public housing only)

At initial certification and at each subsequent annual reexamination the resident shall be offered a choice of paying either the income-based rent or the Flat Rent applicable to the apartment they will be occupying.

### **XIII. Definitions of Terms Used in This Statement of Policies**

1. Accessible dwelling units—when used with respect to the design, construction or alteration of an individual dwelling unit, means that the apartment is located on an accessible route and when designed, constructed, altered, or adapted can be approached, entered, and used by individuals with physical disabilities. An apartment that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in **24 CFR § 8.32 & § 40** (the Uniform Federal Accessibility Standards) is “accessible” within the meaning of this paragraph.

When an individual dwelling unit in an existing facility is being modified for use by a specific individual, the apartment will not be deemed accessible, even though it meets the standards that address the impairment of that individual, unless it also meets the UFAS standards.

2. Accessible Facility - means all or any portion of a facility other than an individual dwelling unit used by individuals with physical disabilities. **24 CFR § 8.21**
3. Accessible Route - For persons with a mobility impairment, a continuous unobstructed path that complies with space and reach requirements of the Uniform Federal Accessibility Standards (UFAS). For persons with hearing or vision impairments, the route need not comply with requirements specific to mobility. **24 CFR § 8.3 & § 40.3.5**
4. Adaptability - Ability to change certain elements in a dwelling unit to accommodate the needs of disabled and non-disabled persons; or ability to meet the needs of persons with different types & degrees of disability. **24CFR § 8.3 & § 40.3.5**

5. Alteration - any change in a facility or its permanent fixtures or equipment. It does not include: normal maintenance or repairs, re-roofing, interior decoration or changes to mechanical systems. **24 CFR § 8.3 & § 8.23 (b)**
6. Applicant – an individual or a family that has applied for admission to housing.
7. Area of Operation - Jurisdiction of LCHA as described in state law and LCHA’s Articles of Incorporation – the County of Lake, Illinois.
8. Assets - Assets means “cash (including checking accounts), stocks, bonds, savings, equity in real property, or the cash value of life insurance policies. Assets do not include the value of personal property such as furniture, automobiles and household effects or the value of business assets.” See the definition of Net Family Assets, for assets used to compute annual income. **24 CFR § 5.603**
9. Auxiliary Aids - means services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in and enjoy the benefits of programs or activities. **24 CFR § 8.3**
10. Care attendant - a person that regularly visits the apartment of a LCHA resident to provide supportive or medical services. Care attendants are not live-in aides, since they have their own place of residence (and if requested by LCHA must demonstrate separate residence) and do not live in the public housing apartment. Care attendants have no rights of tenancy.
11. Citizen – Citizen (by birth or naturalization) or national of the United States. **24CFR § 5.504**
12. Co-head of household – One of two persons held responsible and accountable for the family.
13. Community Service Requirements – The performance of voluntary work or duties that benefit the public and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community. Community service is not employment and may not include political activities. See *LCHA Policy on Community Service*.
14. Covered Families for Welfare Benefits – Families who receive welfare assistance or other public assistance benefits (welfare benefits) from a state or other public agency (welfare agency) under a program for which federal, state or local law requires that a member of the family participate in an economic self-sufficiency program as a condition for such assistance.
15. Covered Person – For the purposes of lease enforcement, covered person means a tenant, any member of the tenant’s household, a guest or another person under the tenant’s control. **24 CFR § 5.A**
16. Dating Violence – for purposes of interpreting the Violence Against Women Act, Violence committed by a person:
  - a. Who is or has been in a social relationship of a romantic or intimate nature with the victim; and
  - b. Where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship, (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship.
17. Day laborer – An individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future.

18. Dependent - A member of the household, other than head, spouse, sole member, foster child, or Live-in Aide, who is under 18 years of age, or 18 years of age or older and disabled, or a full-time student. **24 CFR § 5.603**
19. Designated Family - means the category of family for whom LCHA elects (subject to HUD approval) to designate a project (e.g. elderly family in a project designated for elderly families, as at Roseland Gardens) in accordance with the 1992 Housing Act. **PL 96-120**
20. Designated housing (or designated project) - a project(s), or portion of a project(s) designated for elderly only or for disabled families only in accordance with **PL 96-106**.
21. Development – The whole of one or more residential structures and appurtenant structures, equipment, roads, walks, and parking lots that are covered by a single contract for federal financial assistance, or are treated as a whole for processing or subsidy determination purposes, whether or not located on a common site. **24 CFR § 5.603**
22. Disability Assistance Expenses – Reasonable expenses that are anticipated during the period for which annual income is computed for attendant care or auxiliary apparatus for a disabled family member that are incurred to permit an adult family member (including the person with disability) to be employed, provided that the expenses are not paid to a family member, reimbursed by an outside source. The amount of the deduction is the dollar value of care or apparatus expenses that exceed 3 percent of Annual Income but never more than the amount earned by all adult family members who are working.
23. Disabled Family - A family whose head, spouse or sole member is a person with disabilities. (Person with disabilities is defined later in this section.) The term includes two or more persons with disabilities living together, and one or more such persons living with one or more persons including live-in aides determined to be essential to the care and well-being of the person or persons with disabilities. A disabled family may include persons with disabilities who are elderly. **24 CFR § 5.403**
24. Displaced Person – A person who is displaced by governmental action or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or formally recognized pursuant to federal disaster relief laws **24 CFR § 5.403(b)** For purposes of redevelopment activities, a family may also be displaced as defined in the Uniform Relocation Act. Such families have been displaced if they have been required to permanently move from real property for the rehabilitation or demolition of such property. These families may be entitled to specified benefits under the Uniform Relocation Act. **49 CFR § 24.2**
25. Divestiture Income - Imputed income from assets, including business assets, disposed of by applicant or resident in the last two years at less than fair market value. (See the definition of Net Family Assets **24 CFR § 5.603** in this section.)
26. Domestic Violence: for purposes of interpreting the Violence Against Women Act, includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim share a child in common, by a person who cohabits with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.
27. Drug-Related Criminal Activity – The illegal manufacture, sale, distribution, use or possession of a controlled substance with intent to manufacture, sell, distribute, or use the drug. **24 CFR § 5.A**



28. Economic Self-Sufficiency Program – Any program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work for such families. These programs include programs for job training, employment, counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and any program necessary to ready a participant for work (including substance abuse or mental health treatment) or other work activities. **24 CFR § 5.603**
29. Elderly Family - A family whose head or spouse (or sole member) is at least 62 years of age. It may include two or more elderly persons living together, and one or more such persons living with one or more persons, including live-in aides, determined to be essential to the care and well-being of the elderly person or persons. An elderly family may include elderly persons with disabilities and other family members who are not elderly. **24 CFR § 5.403**
30. Elderly Person - A person who is at least 62 years of age. **42 USC 1437a(b)(3)**
31. Eligible Immigration Status – For a non-citizen, verification of immigration status eligible for assisted housing consisting of a signed certification and the original copy of an acceptable USBCI document. **24 CFR § 5.0508**
32. Emancipated Minor – A person under age 18 who does not live or intend to live with his/her parents, and who has been declared “emancipated” by a court of competent jurisdiction or who is legally married. An emancipated minor is eligible to be a head of household and sign a LCHA lease.
33. Extremely Low Income Family – A Family whose Annual Income is equal to or less than 30% of Area Median Income, as published by HUD adjusted for family size.
34. Family Includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity or marital status: **24 CFR §§ 5.403**
- A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person.
  - An otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age, and and who has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 USC 674(5)(H), and is homeless or is at risk of becoming homeless at age 18 or older; or
  - A group of persons residing together, and such group includes but is not limited to:
    - A family with or without children (a child who is temporarily away from home because of placement in foster care is considered a member of the family).
    - An elderly family
    - A near elderly family
    - A disabled family
    - A displaced family and
    - The remaining member of a tenant family.

Live-in Aides may also be considered part of the applicant family’s household. However, live-in aides are not family members, even if related to the family, and have no rights as “remaining family members”.

Foster Care Arrangements include situations in which the family is caring for a foster adult, child or children in their home who have been placed there by a public child placement agency, or a foster adult or adults placed in the home by a public adult placement agency. These individuals are household members and should be considered in determining the unit size for the family but are not family members and have no rights as “remaining family members”.

For purposes of continued occupancy: the term family also includes the remaining member of a resident family with the capacity to execute a lease.

35. - Foster Adult – An adult (usually a person with disabilities) who is placed in someone’s home by a governmental agency so the family can help with his/her care. Foster adults may be members of LCHA households, but they have no rights as remaining family members. The income received by the family for the care of a Foster Adult is excluded from Annual Income.
36. Foster Child – a member of the household (but not the family) who meets the definition of a foster child under State law. In general, a foster child is placed with the family by an authorized placement agency (e.g., public child welfare agency) or by judgment, decree or other order of any court of competent jurisdiction.
37. Full-Time Student - A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. Educational institution shall include but not be limited to: college, university, secondary school, vocational school or trade school. **24 CFR 5.603**
38. Guest – For the purposes of resident selection and lease enforcement, a guest is a person temporarily staying in the unit with the consent of the resident or other member of the household who has express or implied authority to so consent on behalf of the resident. **24 CFR § 5.A**
39. Head of the Household - Head of the household means the family member (identified by the family) who is held responsible and accountable for the family.
40. Health and medical care expenses – Any costs incurred in the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which annual income is computed.
41. HOTMA Home you Could Live in – a home you have the right to sell, that is not owned jointly with a person who is not a member of the applicant/tenant/voucher holder family, that is not unsuitable for the disabilities of any family member, that is not in such substandard condition that it is uninhabitable, or that is not located in a place that is too distant to make commuting to work infeasible.
42. Immediate Family Member – for purposes of interpreting the Violence Against Women Act, a spouse, parent, brother or sister, or child of the person, or an individual to whom that person stands in loco parentis (in place of a parent); or any other person living in the household of that person and related to that person by blood or marriage.
43. Imputed Welfare Income – The amount of Annual Income by which a resident’s welfare grant has been reduced because of welfare fraud or failure to comply with economic self-sufficiency requirements that is, nonetheless, included in Annual Income for determining rent. **24 CFR § 5.615(b)**

44. Independent contractor – An individual who qualifies as an independent contractor instead of an employee in accordance with the IRS Code Federal income tax requirements and whose earnings are consequently subject to the Self-Employment Tax. In general, an individual is an independent contractor if the payer has the right to control or direct only the result of the work, and not what will be done and how it will be done.

45. Individual with Disabilities, Section 504 definition **24 CFR § 8.3**

Section 504 definitions of Individual with Handicaps and Qualified Individual with disabilities are not the definitions used to determine program eligibility. Instead, use the definition of “Person with Disabilities” as defined later in this section. Note: the Section 504, Fair Housing, and Americans with Disabilities Act (ADA) definitions are similar. ADA uses the term “individual with a disability”. Individual with disabilities means any person who has:

- a. A physical or mental impairment that:
  - substantially limits one or more major life activities;
  - has a record of such an impairment; or
  - is regarded as having such an impairment.
- b. For purposes of housing programs, the term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others.
- c. Definitional elements:

“physical or mental impairment” means any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: Neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or

Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” means functions such as caring for one’s self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

“Has a record of such an impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

“Is regarded as having an impairment” means has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation; or

Has a physical or mental impairment that substantially limits one or more major life activities only as result of the attitudes of others toward such impairment; or

Has none of the impairments defined in this section but is treated by a recipient as having such an impairment.



- d. The 504 definition of disability does not include homosexuality, bisexuality, or transvestitism because these are not disabilities. These characteristics do not disqualify an otherwise disabled applicant/resident from being covered. The 504 definition of individual with disabilities is a civil rights definition. To be considered for admission to public housing designated for people with disabilities or to receive a disability-related income deduction a person must meet the program definition of "Person with Disabilities" found in this section.
46. Kinship care - an arrangement in which a relative or non-relative becomes the primary caregiver for a child or children but is not the biological parent of the child or children. The primary caregiver need not have legal custody of such child or children to be a kinship caregiver under this definition. (Definition provided by the Kinship Care Project, National Association for Public Interest Law) The primary caregiver must be able to document Kinship care. This is usually accomplished through school or medical records.
47. Live-in Aide - A person who resides with an elderly person(s), near elderly person(s) or person(s) with disabilities and who: (a) is determined by LCHA to be essential to the care and well-being of the person(s); (b) is not obligated to support the family member; and (c) would not be living in the apartment except to provide the necessary supportive services **24 CFR 5.403**
48. Local Preferences:
- In order to bring higher income families into public housing, the LCHA will establish a preference for "working" families, where the head, spouse, cohead, or sole member is employed at least 20 hours per week. As required by HUD, families where the head and spouse, or sole member is a person age 62 or older, or is a person with disabilities, will also be given the benefit of the working preference [24 CFR 960.206(b)(2)].
- The LCHA will offer a preference to families that include victims of domestic violence, dating violence, sexual assault, or stalking who has either been referred by a partnering service agency or consortia or who is seeking an emergency transfer under VAWA from the LCHA's housing choice voucher program or other covered housing program operated by the LCHA. The LCHA will work with partnering service agencies. The applicant must certify that the abuser will not reside with the applicant unless the LCHA gives prior written approval.
- At mixed population buildings single persons who are elderly or disabled will receive a preference over single persons who are not elderly or disabled.
49. Lower-Income Household - A family whose annual income does not exceed 80 percent of the median income for the area as determined by HUD with adjusted for smaller family size. **42 USC 1437a(b)**
50. Medical Expense Allowance - For purposes of calculating adjusted income for elderly or disabled applicants only, medical expenses mean the medical expense not compensated for or covered by insurance in excess of 10% of Annual Income. For current tenants the threshold is 5% of Annual Income. **24 CFR § 5.603**
51. Minor - A minor is a person less than 18 years of age. An unborn child will not be considered as a minor. (See definition of dependent.) Some minors are permitted to execute contracts, provided a court declares them "emancipated".
52. Mixed Family – a family with both citizen or eligible immigrant members and members that are neither citizens nor eligible immigrants. Such a family will be charged a pro-rated rent based upon the percentage of family members who are ineligible immigrants. **24 CFR § 5.504**

53. Mixed Population Project - means a public housing project for elderly and disabled families. The LCHA is not required to designate this type of project.
54. Multifamily housing project - For purposes of Section 504, means a project containing five or more dwelling units. **24 CFR § 8.3**
55. National – A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession, or birth in a foreign country to a parent who is a U.S. citizen. **24 CFR § 5.504**
56. Near-elderly family - means a family whose head, spouse, or sole member is a near-elderly person who may be a person with a disability. The term includes two or more near-elderly persons living together, and one or more such persons living with one or more persons who are determined to be essential to the care or well-being of the near-elderly person or persons. A near-elderly family may include other family members who are not near-elderly. **24 CFR § 5.403**
57. Near-elderly person - means a person who is at least 50 years of age but less than age 62, who may be a person with a disability **42 USC 1437a(b)(3)**
58. Net Family Assets - The net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds and other forms of capital investment. **24 CFR § 5.603**

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

Excluded from the calculation of net family assets are:

- The value of necessary items of personal property
- The combined value of all non-necessary items of personal property if the combined total value does not exceed \$50,000 (which will be adjusted by HUD in accordance with the Consumer Price Index)
- The value any account under a retirement plan recognized as such by the IRS, including individual retirement arrangements, employer retirement plans (pensions), and retirement plans for self-employed individuals.
- The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located.
- Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence or other breach of duty owed to a family member arising out of law, that resulted in a family member being a person with a disability.
- The value of any Coverdell education savings account under section 530 of the IRS code, the value of any qualified tuition program under section 529 of such Code, the value of any Achieving a Better Life Experience (ABLE) account under Section 629A

of such Code, and the value of any “baby bond account created, authorized or funded by Federal, State or local government.

- Interests in Indian trust land
- Equity in a manufactured home where the family receives assistance under the Housing Choice Voucher program.
- Family Self Sufficiency accounts.
- Federal tax refunds or refundable tax credits for a period of 12 months after the receipt by the family.
- An irrevocable trust.

59. Other Person Under the Resident’s Control - for the purposes of resident selection and lease enforcement means that the person, although not staying as a guest in the unit is, or was at the time of the activity in question, on the premises because of an invitation from the resident or other member of the household who has express or implied authority to so consent on behalf of the resident. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes (the pizza delivery guy) is not “under the resident’s control”. **24CFR § 5.**

60. Person with disabilities<sup>22</sup> **42 USC 1437a(b)(3)** means a person<sup>23</sup> who —

- a. Has a disability as defined in Section 223 of the Social Security Act **42 USC 423** ; or,
- b. Has a physical or mental impairment that:
  - Is expected to be of long continued and indefinite duration;
  - Substantially impedes his/her ability to live independently; and,
  - Is of such nature that such disability could be improved by more suitable housing conditions; or,
- c. Has a developmental disability as defined in Section 102 (5) (b) of the Developmental Disabilities Assistance and Bill of Rights Act **42 USC 6001 (5)**.

This is the definition that is used for eligibility and granting deductions for rent.

61. Portion of Development - includes, one or more buildings in a multi-building project; one or more floors of a development or developments; a certain number of dwelling units in a development or developments. **24 CFR § 945.105**

62. Refusal of Housing – An applicant’s choice not to accept a LCHA offer of housing without good cause.

63. Rejection for Housing – LCHA’s determination not to accept an applicant either because of ineligibility or failing applicant screening.

64. Qualified Individual with Disabilities, Section 504 - means an individual with disabilities who meets the essential eligibility requirements and who can achieve the purpose of the program or activity without modifications in the program or activity that the LCHA can demonstrate would result in a fundamental alteration in its nature.

<sup>22</sup> NOTE: this is the program definition for public housing. The 504 definition does not supersede this definition for eligibility or admission. **24 CFR 8.4 (c) (2)**

<sup>23</sup> A person with disabilities may be a child



- a. Essential eligibility requirements include: ...stated eligibility requirements such as income as well as other explicit or implicit requirements inherent in the nature of the program or activity, such as requirements that an occupant of multifamily housing be capable of meeting the recipient's selection criteria and be capable of complying with all obligations of occupancy with or without supportive services provided by persons other than the LCHA.
  - b. For example, a chronically mentally ill person whose particular condition poses a significant risk of substantial interference with the safety or enjoyment of others or with his or her own health or safety in the absence of necessary supportive services may be "qualified" for occupancy in a project where such supportive services are provided by the LCHA as a part of the assisted program. The person may not be 'qualified' for a project lacking such services. **24 CFR § 8.3**
65. Seasonal Worker – an individual who is hired into a short-term position and the employment begins about the same time each year (such as summer or winter). Typically, the individual is hired to address seasonal demands that arise for the particular employer or industry.
  66. Service Provider - a person or organization qualified and experienced in the provision of supportive services, that is in compliance with applicable licensing requirements imposed by state or local law for the type of service to be provided. The service provider may be either a for-profit or a non-profit entity.
  67. Single Person - A person who is not an elderly person, a person with disabilities, a displaced person, or the remaining member of a resident family.
  68. Spouse - Spouse means the husband or wife of the head of the household.
  69. Stalking – for purposes of interpreting the Violence Against Women Act, to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass or intimidate; or to place under surveillance with the intent to kill, injure, harass or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (i) that person, (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person.
  70. Tenant Rent - The amount payable monthly by the Family as rent to LCHA. If all utilities (except telephone) and other essential housing services are supplied by the LCHA, Tenant Rent equals Total Tenant Payment. If some or all utilities (except telephone) and other essential housing services are not supplied by the LCHA the cost thereof is not included in the amount paid as rent, and Tenant Rent equals Total Tenant Payment less the Utility Allowance **24 CFR § 5.6**.
  71. Total Tenant Payment (TTP) - The TTP is calculated using the following formula:  
The greater of 30% of the monthly Adjusted Income (as defined in these policies) or 10% of the monthly Annual Income (as defined in these policies), but never less than the Minimum Rent. If the Resident pays utilities directly to the utility supplier, the amount of the Utility Allowance is deducted from the TTP. **24 CFR §5.6** See definition for Tenant Rent
  72. Unearned income – means any annual income, as calculated under § 5.609 that is not earned income.
  73. Uniform Federal Accessibility Standards - Standards for the design, construction, and alteration of publicly owned residential structures to insure that physically disabled persons will have ready access to and use of such structures. The standards are set forth in

Appendix A to 24 CFR Part 40. See cross reference to UFAS in 504 regulations, **24 CFR § 8.32 (a)**.

74. **Utilities** - Utilities means water, electricity, gas, other heating, refrigeration and cooking fuels, trash collection, and sewerage services. Telephone service is not included as a utility **24 CFR § 965.473**
75. **Utility Allowance** - At properties with tenant-paid utilities, this is a dollar amount established in accordance with HUD regulations (24 CFR § 965) for utilities paid directly to the utility supplier by residents. It is adequate to include reasonable consumption for major equipment such as heat, water heating and appliances, but does not include air conditioning in family developments. The amount of the utility allowance is subtracted from each resident's Total Tenant Payment to determine Tenant Rent.
76. **Utility Reimbursement** – At properties with tenant-paid utilities, amounts paid to families or utility providers when the families' Total Tenant Payment is less than the Utility Allowance for tenant-paid utilities.

Families paying Flat rent do not receive Utility Allowances and, consequently, will never qualify for utility reimbursements.

77. **Very Low-Income Family** – A very low-income family has an Annual Income less than 50 percent of the median Annual Income for the area, adjusted for family size, as determined by HUD.
78. **Visitor** – A non-resident who has registered with the Manager and has permission to stay overnight in a LCHA unit.
79. **Welfare Assistance**– Welfare or other payments to families or individuals based on need, that are made under programs, separately or jointly, by federal, state or local governments.
80. **Work Activities** – As used in the HUD definitions at **24 CFR § 5.603** the term work activities means:
- a. Unsubsidized employment;
  - b. Subsidized private sector employment;
  - c. Subsidized public sector employment;
  - d. Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;
  - e. On-the-job training;
  - f. Job search and job readiness programs;
  - g. Community service programs; Vocational educational training (< 12 months)
  - h. Job skills training directly related to employment;
  - i. Education directly related to employment, in the case of a recipient who has not received a high school diploma or certificate of high school equivalency;
  - j. Satisfactory attendance at a secondary school or in a course of study leading to a certificate of general equivalence;
  - k. The provision of child care services to an individual who is participating in a community service program.

**XIV. PUBLIC HOUSING COMMUNITY SERVICE POLICY****A. Background**

1. As all staff of LCHA know, the Community Service requirement is only applicable to residents of public housing properties or residents living in ACC subsidized units at mixed finance properties. No one living in a multifamily property or a project based voucher property or using a tenant based voucher in a market rate unit at a mixed finance property is subject to the Community Service requirement.
2. LCHA is working to enable its residents to become fully economically independent. In support of this goal and HUD requirements, LCHA requires that all non-exempt members of resident families meet monthly targets for neighborhood service or economic self-sufficiency, as monitored monthly.
3. The Community Service requirement is 8 hours per month for each non-exempt adult (not for each family with a non-exempt adult).
4. Compliance with Community Service activities is monitored by monthly contact between the non-exempt resident and the Resident Service Coordinator. LCHA opts not to accept tenant certifications of compliance with the Community Service requirement. It will continue to verify compliance.

**B. Definitions**

1. Community Service - volunteer work that benefits the property or the local neighborhood includes, but is not limited to:
  - a. Work at a local institution, including but not limited to: school, community center, hospital, hospice, recreation center, senior center, adult day care program, homeless shelter, meals or feeding program, library or bookmobile, before- or after-school education program, or child care center, etc.;
  - b. Work with a non-profit organization that serves LCHA residents or their children, including but not limited to: Boy Scouts, Girl Scouts, Boys or Girls Club, 4-H Club, PAL, Garden Center, Neighborhood clean-up programs, Beautification programs, etc.;
  - c. Work with a community arts program involving performing arts, fine arts, visual arts or crafts including but not limited to community theater, dance, music (orchestra, voice, choir, band, small ensemble, etc.), etc.;
  - d. Work with any program funded under the Older Americans Act, including but not limited to: Green Thumb, Service Corps of Retired Executives, Meals on Wheels, etc.;
  - e. Work with service programs sponsored by churches so long as they do not involve religious education or the practice of religion (e.g. a meals program for the homeless sponsored by a church and provided in the parish hall would be acceptable, teaching Sunday School would not);
  - f. Work with other youth, disability service or advocacy, or senior organizations;
  - g. Work at the property to help improve physical conditions (for example as a grounds or building captain, or on a beautification program for the building or grounds);
  - h. Work at the property to help with children's programs;
  - i. Work at the property to help with senior programs;

- j. Help neighborhood groups with special projects;
    - k. Work through the Resident Association to help other residents with problems, serving as an officer in an RA, serving on the RA or Resident Advisory Board; Care for the children of other residents so they may volunteer.
  2. Political activity is excluded.
  3. Work activity must not take the place of work performed by paid employees.
  4. Self-sufficiency Activities - include, but are not limited to:
    - a. Job readiness programs;
    - b. Job training programs;
    - c. Skills training programs;
    - d. Higher education (Junior college or college);
    - e. Vocational education;
    - f. GED classes;
    - g. Verifiable job search activities;
    - h. Apprenticeships;
    - i. Substance abuse or mental health counseling;
    - j. English proficiency or literacy (reading) classes;
    - k. Parenting classes;
    - l. Budgeting and credit counseling;
    - m. Any kind of class that helps a person toward economic independence;
    - n. Carrying out any activity required by the Department of Public Assistance as part of welfare reform.
    - o. The self-sufficiency hours counted toward the 8 hour per month requirement will be only hours when a non-exempt adult is actually attending class or engaged in job training. It will not include time in transit.
  5. Exempt Adult - an adult member of the family who is not required to perform Community Service because he/she:
    - a. A person who is 62 years or older
    - b. A person who is blind or disabled, as defined under 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. Section 416(i)(1); Section 1382c), and who certifies that, because of this disability, she or he is unable to comply with the service provisions of this subpart
    - c. A primary caretaker of a person who is blind or disabled
    - d. A person engaged in work activities. In order for an individual to be qualified under this definition they must be: exempt from the CSSR because he/she is "engaged in work activities," the person must be participating in an activity that meets one of the following:
      - Working at least 30 hours per week in an unsubsidized job
      - Subsidized private-sector employment
      - Subsidized public-sector employment

- On-the-job-training
  - Job-search
  - Community service programs
  - Vocational educational training (not to exceed 12 months with respect to any individual)
  - Job-skills training directly related to employment
  - Education directly related to employment in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency
  - Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalency, in the case of a recipient who has not completed secondary school or received such a certificate
- e. A member of a family receiving and compliant with requirements of the Temporary Assistance for Needy Families (TANF) (45 CFR Part 260)
- f. A member of a family receiving and compliant with requirements of the Supplemental Nutrition Assistance Program (SNAP) (7 CFR Parts 271, 272 and 273)
- g. A member of a family receiving assistance, benefits, or services under any other welfare program of the State in which the LCHA is located, including a State-administered Welfare-to-Work program, who has not been found by the State or other administering entity to be in noncompliance with such a program.

C. Requirements of the Program

1. Each non-exempt adult in a public housing family must contribute and document some combination of 8 hours per month of Community service or self-sufficiency activity.
2. The 8 hours per month may be either volunteer work or self-sufficiency program activity or a combination of the two.
3. At least 8 hours of activity must be performed each month. An individual may not skip a month and then double up the following month, unless special circumstances warrant special consideration. LCHA will make the determination of whether to allow or disallow a deviation from the schedule.
4. Activities must be performed within the neighborhood and not outside the jurisdictional area of the LCHA. The exception to this rule would be adults who are enrolled in full-time higher education or vocational training. Their hours of education would count toward the requirement.
5. Family obligations
  - a. At lease execution or re-examination after the effective date of this policy, all adult members (18 or older) of a public housing resident family must
    - 1) provide documentation that they are exempt from Community Service requirement if they qualify for an exemption, and
    - 2) sign a certification that they have received and read this policy and understand that if they are not exempt, failure to comply with the Community Service requirement will result in termination of their lease.
  - b. Once each month non-exempt family members must present a completed documentation form (provided by LCHA) of activities performed over the previous

month to the Housing Manager.

- c. At each annual re-examination, non-exempt family members must present a completed documentation form (provided by LCHA) of activities performed over the previous twelve months. Both forms will include places for signatures of supervisors, instructors, or counselors certifying to the number of hours contributed each month by month.

6. Change in exempt status:

- a. If, during the twelve (12) month period, a non-exempt person becomes exempt, it is his/her responsibility to report this to LCHA and provide documentation of such.
- b. If, during the twelve (12) month period, an exempt person becomes non-exempt, it is his/her responsibility to report this to LCHA and the property manager.
- c. The Housing Manager will provide the person with the Recording/Certification documentation form and a list of agencies in the neighborhood that provide volunteer and/or training opportunities.

D. LCHA obligations

1. To the greatest extent possible and practicable, LCHA and its property managers will
  - a. provide names and contacts at agencies that can provide opportunities for residents, including those with disabilities, to fulfill their Community Service/self-sufficiency obligations;
  - b. include in the Community Service requirement a disabled person who is otherwise able to be gainfully employed, since such an individual is not exempt from the Community Service requirement; and
  - c. provide referrals for volunteer work or self-sufficiency programs.
2. The property manager will provide the family with exemption verification forms and Recording/ Certification documentation forms and a copy of this policy at initial application and at lease execution.
3. LCHA will make the final determination as to whether or not a family member is exempt from the Community Service/self-sufficiency requirement.
4. Residents may use LCHA's Grievance Procedure if they disagree with LCHA's determination.

E. Noncompliance of a non-exempt family member

1. If a non-exempt adult fails to report to the Manager or fails to complete the required eight hours of neighborhood service or self-sufficiency activity, the non-exempt adult shall be considered to be in noncompliance.
2. When a property manager receives a report of a non-exempt adult's failure to either report or complete the required activity, the property manager shall send a Notice of Lease Violation to the head of household.
3. The non-exempt adult may be granted additional time to make up any lost hours, properly reported to the Manager.
4. If the non-exempt adult who fails to make up the required hours is someone other than the head of household, the remaining family members may retain their tenancy if the noncompliant adult leaves the household;



5. The family may use LCHA's Grievance Procedure to contest the lease termination.

