

HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN
OF
THE HOUSING AUTHORITY OF THE CITY
AND COUNTY OF DENVER, COLORADO

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Contents

SECTION 1	6
HOUSING CHOICE VOUCHER (HCV)	6
HOUSING CHOICE VOUCHER PROGRAM DEFINITIONS	6
<i>HOUSING CHOICE VOUCHER PROGRAM DEFINITIONS</i>	<i>7</i>
1.1 1937 Act.....	7
1.2 Adjusted Income	7
Mandatory Deductions	7
1.3 Annual Income	7
1.4 Applicant or Applicant Family	11
1.5 Child	12
1.6 Child Care Expenses	12
1.7 Citizen.....	12
1.8 Consent Form.....	12
1.9 Covered Families	12
1.10 Dependent	12
1.11 Disability Assistance Expenses	12
1.12 Disabled Family	12
1.13 Displaced Family.....	13
1.14 Displaced Person	13
1.15 Drug Related Criminal Activity	13
1.16 Economic Self-Sufficiency Program	13
1.17 Elderly Family	13
1.18 Elderly Person	13
1.19 Eligible Families	13
1.20 Extremely Low-income.....	13
1.21 Family	14
1.22 Family Members	14
1.23 Full-Time Student	14
1.24 Guests	14
1.25 Head of Household.....	14
1.26 Household Members.....	14
1.27 HUD.....	15

1.28	Imputed Welfare Income	15
1.29	Income Information	15
1.30	Income Targeting	15
1.31	Incremental	16
1.32	DHS.....	16
1.33	Live-In-Aide	16
1.34	Local Preferences	16
1.35	Low-Income Family	16
1.36	Medical Expenses	17
1.37	Members of the Family	17
1.38	Mixed Family	17
1.39	Monthly Adjusted Income.....	17
1.40	Monthly Income	17
1.41	National.....	17
1.42	Near-Elderly Family	17
1.43	Near-Elderly Person	17
1.44	Non-citizen	17
1.45	Non-Elderly Disabled Person	17
1.46	Net Family Assets	17
1.47	Over-Income Family	18
1.48	Owner (Housing Provider).....	18
1.49	Person With Disabilities	18
1.50	Proration of Assistance	19
1.51	Public Housing Agency (PHA)	19
1.52	Remaining Family Member	19
1.53	Housing Choice Voucher (formerly known as Section 8)	19
1.54	Single Person	19
1.55	Specified Welfare Benefit Reduction.....	20
1.56	Supportive Services	20
1.57	Total Tenant Payment.....	20
1.58	Training Program.....	21
1.59	Utility Allowance	21
1.60	Utility Reimbursement	21
1.61	Very Low-Income Family	21
1.62	Violent Criminal Activity.....	21

1.63	Welfare Assistance	21
1.64	Work Activities	21
1.65	Working Family	21
	Any term not defined in this policy shall have the meaning set forth in the applicable HUD regulations.	22
SECTION 2		23
GENERAL PROVISIONS		23
GENERAL PROVISIONS		24
2.2	Housing Authority Jurisdiction	24
2.3	Unusual Circumstances	25
2.4	Conflict	26
2.5	Reasonable Accommodation and 504 Coordinator	26
2.6	Housing Programs Available.....	27
2.7	Eligible Types of Housing.....	27
2.8	Special Housing Types	27
2.9	DHA-Owned Units	27
2.10	Manufactured Housing	27
2.11	Homeownership for the Disabled	27
2.12	Maintenance of Program Records.....	28
2.13	Program Eligibility	28
2.14	Program Admission	28
2.15	Special Admission.....	28
2.16	New Admissions	28
2.17	Housing Choice Voucher Lottery Pool	28
2.18	Special Admission Program	29
2.19	Local Preferences	31
2.20	Admission Date	34
2.21	Participant	34
2.22	Rent Reasonableness	34
2.23	Utility Allowance Schedule.....	34
2.24	Payment Standards Review.....	35
2.25	Subsidy Standards	35
2.26	Administrative Fee Reserve.....	35
2.27	Portability.....	35
2.28	Termination of Contracts	37
2.29	Determination of Passbook Rate.....	37

SECTION 3	39
ADMISSIONS AND CONTINUED OCCUPANCY TERMS AND POLICIES (“ACOP”)	39
3.1 Fair Housing.....	40
3.2 Reasonable Accommodation	40
3.3 Eligibility for Admission to Housing Choice Voucher Tenant-Based and Project Based Voucher Program	41
3.4 Verification of Citizenship or Eligible Non-Citizen Status/Housing Choice Voucher.....	44
3.5 Social Security Number Disclosure/Housing Choice Voucher Programs	45
3.6 Verification of Statements and Income/Housing Choice Voucher Programs	47
3.7 Applicants May Be Denied Housing Choice Voucher Housing Assistance Based on the Following:.....	49
3.8 Notification of Cancellations and Denials for Ineligible Applicants/Housing Choice Voucher Programs	52
3.9 Informal Review Process/Housing Choice Voucher Tenant-Based Assistance	52
3.10 Selection Preferences For Housing Choice Voucher Programs	52
3.11 Description of Local Selection Preferences - Housing Choice Voucher Tenant-Based Assistance Housing.....	53
3.12 Qualification and Verification of Claimed Local Selection Preference Housing Choice Voucher Programs	53
3.13 Notification of Selection Preference Denial/Housing Choice Voucher Programs.....	53
3.14 Notification of Eligibility for Selection Preference/Housing Choice Voucher Programs.....	53
3.15 Notification of Eligibility for Admission/Housing Choice Voucher Programs	53
3.16 Selection from the Lottery Pool/Housing Choice Voucher Tenant Based Assistance and Project-Based Assistance	53
3.17 Housing Choice Voucher - Lottery System	54
3.18 Occupancy Guidelines for Housing Choice Voucher Programs	54
Number of Persons	55
3.19 Assignment of Vouchers/Housing Choice Voucher	55
3.20 Housing Assistance Limitation for Single Persons/Housing Choice Voucher Programs	55
3.21 Determination of Total Tenant Payment and Tenant Rent/Housing Choice Voucher Programs 55	
3.22 Leasing of Units/Housing Choice Voucher	56
3.23 Re-Examinations/Re-Determinations/Housing Choice Voucher Programs	57
3.24 Addition of Household Member or Live-In-Aide to HAP Contract/Housing Choice Voucher..	58
3.25 Misrepresentations/Housing Choice Voucher	58
3.26 Order of Precedence	58
3.27 Services for Non-English Speaking Applicants and Participants	58

3.28	Paragraph Headings	58
3.29	Violence Against Women and Department of Justice Reauthorization Act of 2005	58
SECTION 4 PARTICIPANT PROVISIONS		61
<i>PARTICIPANT PROVISIONS</i>		62
4.1	Privacy Rights	62
4.3	Outstanding Amounts Due Other PHAs	62
4.4	Issuance of Voucher	62
4.5	Changes in Eligibility Prior to Effective Date of the Contract	63
4.6	Denial of Vouchers	63
4.7	Term of Voucher	63
4.8	Suspension of Voucher Term	63
4.9	Expiration of Voucher Term	63
4.10	Issuance of New Vouchers When a Participant Moves	64
4.11	Shopping Incentive	64
4.12	Maximum Initial Rent Burden	64
4.13	Minimum Rents	64
4.14	Payment Standard Exception	65
4.15	Income Disregard for Disabled Families	65
4.16	Determining Adjusted Income for Persons with Disabilities – Disallowance for Earned Income ⁶⁵	65
4.17	Changes in Household Status	66
4.18	Adding and Deleting Family Members	67
4.19	Head of Household Designation	68
4.20	Definition of Family	68
4.21	Definition of Members of the Family	68
4.22	Family Absence from the Unit	68
4.23	Family Break Up	68
4.24	Zero Income or Unstable Income	69
4.25	Annual Re-Examination	69
4.26	Verification of Statements and Income	69
I.	Enterprise Income Verification	70
II.	Use Up-Front Income Verification	71
III.	Third-Party Written Verification	71
IV.	Third-Party Written Verification Form	72
V.	Third-Party Oral Verification	72
VI.	Self-Certification/Self-Declaration	72

4.27	Verification of Assets.....	72
	Assets Disposed of for Less Than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Re-certification	73
4.28	Income from Assets.....	74
4.29	Under-housed or Over-housed Participants	74
4.30	Family Moves	75
4.31	Housing Authority May Deny Permission to Move	75
4.32	Live-In-Aide	76
4.33	Continuously Assisted	77
4.34	Request for Tenancy Approval Limitation	77
4.35	Relocation of Witnesses and Victims of Crime.....	77
4.36	Victims of Domestic Violence.....	77
4.37	Criminal/Credit Checks.....	78
4.38	Terminations	78
4.39	Drug-Related,Violent Criminal Activities, and Other Criminal Activities	80
4.40	Drug/Alcohol Dependence	81
4.41	Family No Longer Requires Assistance	81
4.42	Death of Head of Household.....	81
SECTION 5	82
	LANDLORD/OWNER PROVISIONS	83
5.1	Privacy Rights	83
5.2	Outreach	83
5.3	Security Deposits.....	83
5.4	Family Suitability for Tenancy	83
5.5	Landlord/Owner Certification of Rents	84
5.6	Execution of Contracts	84
5.7	Separate Agreements.....	85
5.8	Evictions	85
5.9	Terminations	86
5.10	Landlord/Owner Payments	86
5.11	Landlord/Owner Rent Increases.....	86
5.12	Landlord/Owner Maintenance Responsibilities	87
5.13	Disqualification of Landlord/Owner from Program.....	87
5.14	Penalties for Late HAP Payment.....	87
SECTION 6 PARTICIPANT/LANDLORD PROVISIONS	88
	PARTICIPANT/LANDLORD PROVISIONS.....	89

6.1	Leasing	89
6.2	HAP Contract Term	89
6.3	Termination of HAP Contracts.....	89
6.4	Negotiating Rent to Landlord/Owner.....	90
6.5	Housing Quality Standards	90
1)	INITIAL INSPECTIONS.....	91
2)	COMPLAINT INSPECTIONS.....	92
3)	ANNUAL OR BIENNIAL INSPECTIONS.....	93
6.6	Program Fraud and Abuse.....	95
6.7	Collection Procedures	103
SECTION 7		105
HOUSING CHOICE VOUCHER INFORMAL REVIEW AND HEARING PROVISIONS.....		105
<i>HOUSING CHOICE VOUCHER INFORMAL REVIEW AND HEARINGS POLICY.....</i>		<i>106</i>
7.1	Application Stage	106
7.2	Housing Choice Voucher Participants	108
7.3	Denial of Reasonable Accommodation	110
7.4	Conducting Informal Hearings.....	111
7.5	Designated Review Official.....	111
7.6	Applicability of Hearing Decision.....	111
SECTION 8		112
HOUSING CHOICE VOUCHER FAIR HOUSING PROVISIONS.....		112
<i>HOUSING CHOICE VOUCHER FAIR HOUSING POLICIES</i>		<i>113</i>
SECTION 9		115
EQUAL OPPORTUNITY HOUSING PLAN PROVISIONS.....		115
<i>EQUAL OPPORTUNITY HOUSING PLAN</i>		<i>116</i>
9.1	Outreach to Landlords/Owners.....	116
9.2	Outreach to Families	116
9.3	Affirmative Marketing.....	117
9.4	Non-discrimination.....	117
SECTION 10		118
HOUSING CHOICE VOUCHER HOMEOWNERSHIP PROGRAM.....		118
<i>HOUSING CHOICE VOUCHER HOME OWNERSHIP PROGRAM</i>		<i>119</i>
Compliance with Participant Obligations		119
Delinquency Prevention		119
SECTION 11.....		120
MODERATE REHABILITATION PROVISIONS.....		120

SECTION 12	121
<i>PROJECT BASED VOUCHER ("PBV") PROGRAM.....</i>	122
12.1 General Requirements	122
12.2 Owner Proposal Selection Procedures.....	123
12.3 Dwelling Units	128
12.4 Rehabilitated and Newly Constructed.....	130
12.5 Housing Assistance Payments ("HAP") Contract	133
12.6 Occupancy.....	136
12.7 Determining Rent to Owner.....	142
12.8 Payments to Owner	143

SECTION 1

HOUSING CHOICE VOUCHER (HCV)

HOUSING CHOICE VOUCHER PROGRAM DEFINITIONS

HOUSING CHOICE VOUCHER PROGRAM DEFINITIONS

This section contains definitions of terms used in connection with admission and continued occupancy of the Housing Choice Voucher (HCV) Housing Choice Voucher housing programs operated by the Housing Authority of the City and County of Denver ("DHA").

1.1 1937 Act

1937 Act means the United States Housing Act (42 U.S.C. 1437 *et seq.*).

1.2 Adjusted Income

Adjusted income means annual income (as determined by DHA), of the members of the family residing or intending to reside in the dwelling unit, after making the following deductions:

Mandatory Deductions

- (a) \$480 for each Dependent (see definition of Dependent);
- (b) \$400 for any elderly family or disabled family;
- (c) The sum of the following, to the extent the sum exceeds three percent of annual income: (i) unreimbursed medical expenses of any elderly or disabled family; and (ii) unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed, but this allowance may not exceed the earned income received by family members who are 18 years of age or older who are able to work because of such attendant care or auxiliary apparatus; and
- (d) Any reasonable childcare expenses necessary to enable a member of the family to be employed, seek employment or to further his or her education.

1.3 Annual Income

Annual income means all amounts, monetary or not, which:

- 1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
- 2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- 3) Which are not specifically excluded in paragraph (c) of this section.
- 4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

- (a) Annual income includes, but is not limited to:
- 1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
 - 2) The net income from 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 Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;
 - 3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized per HUD Regulations. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by DHA¹;
 - 4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount in accordance with HUD Regulations;
 - 5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay in accordance with HUD Regulations;
 - 6) Welfare assistance. Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:
 - (i) Qualify as assistance under the TANF program definition at 45 C.F.R. 260.31; and
 - (ii) Are not otherwise excluded under 24 C.F.R. 5.609 (c)(1-17).

¹ PIH Notice 2012-29 gives PHAs the authority to set their own passbook savings rate based on the National Savings Rate published by the Federal Deposit Insurance Corporation (FDIC). Please see Section 2.29 for determination of Passbook Savings Rate.

If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

- (i) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
 - (ii) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph (b)(6)(ii) shall be calculated in accordance with HUD Regulations.
- 7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;
 - 8) All regular pay, special pay and allowances of a member of the Armed Forces except as limited by HUD Regulations.
 - 9) As provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition and fees, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965, shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.
- (b) Annual income does not include the following:
- 1) Income from employment of children (including foster children) under the age of 18 years;
 - 2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
 - 3) Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);
 - 4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

- 5) Income of a Live-In-Aide, as defined in 24 C.F.R. § 5.403;
- 6) The full amount of student financial assistance paid directly to the student or to the educational institution (subject to 24 C.F.R. § 5.609 (b)(9) which references 24 C.F.R. § 5.612 ;
- 7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- 8)
 - (i) Amounts received under training programs funded by HUD;
 - (ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
 - (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
 - (iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a tenant for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination, and serving on the PHA's governing board. No tenant may receive more than one such stipend during the same period of time;
 - (v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as tenant 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;
- 9) Temporary, nonrecurring or sporadic income (including gifts) (if participant is working for a temporary agency, the Certification Specialist is required to review pay history);
- 10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- 11) Earnings in excess of \$480 for each full-time student 18 years old or older

(excluding the head of household and spouse);

- 12) Adoption assistance payments in excess of \$480 per adopted child;
- 13) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts;
- 14) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
- 15) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home;
- 16) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 C.F.R. 5.609(c) apply. A notice will be published in the Federal Register and distributed to public housing authorities and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.
- 17) Amounts received for Kinship Guardian Assistant Payments (Kin-GAP) and other guardianship care payments. Kin-GAP payments are subsidies to children leaving the juvenile court system to live with a relative or legal guardian.

c. Annualization of Income

If the income of a family member fluctuates over the course of a 12-month period and the most accurate calculation is an average of an entire year based on the previous year's income, DHA may calculate the rent portion based on the annualized amount and no interim reviews will be processed when income is decreased based on past history.

If it is not feasible to anticipate a level of income over a 12-month period, (e.g., seasonal or cyclic income) or the DHA believes that the past income is the best available indicator of expected future income, the PHA may annualize the income anticipated for a shorter period, subject to a redetermination at the end of the shorter period.

1.4 Applicant or Applicant Family

A person or a family that has applied for housing assistance.

1.5 Child

Means a member of the family other than the Head of Household or spouse who is under 18 years of age.

1.6 Child Care Expenses

Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for childcare, not to exceed 100% of earned income. If childcare is used for seeking employment, the names, addresses and phone numbers of applications submitted are required.

1.7 Citizen

Means a citizen or national of the United States.

1.8 Consent Form

Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and payments of retirement income); and return information for unearned income from the Internal Revenue Service. The consent form expires after a certain time and may authorize the collection of other information from assistance applicants or participants to determine eligibility or level of benefits.

1.9 Covered Families

As applied to welfare benefit reduction, Covered Families means 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 must participate in an economic self-sufficiency program as a condition for such assistance.

1.10 Dependent

A member of the family (except foster children and foster adults) other than the Head of Household or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

1.11 Disability Assistance Expenses

Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

1.12 Disabled Family

Disabled Family means a family whose head or spouse or sole member is a person with disabilities. The term “disabled family” may include two or more persons with disabilities living together, and one or more persons with disabilities living with one or more persons who are determined to be essential to the care or well-being of the person or persons with disabilities. A disabled family may include persons with disabilities who are elderly.

1.13 Displaced Family

A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

1.14 Displaced Person

A person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

1.15 Drug Related Criminal Activity

The illegal manufacture, sale, distribution, or use of a controlled substance as defined in section 102 of the Controlled Substances Act (12 U.S.C. 802), or the possession of such a controlled substance with the intent to manufacture, sell, distribute or use the controlled substance.

1.16 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, any program necessary to ready a participant for work (including a substance abuse or mental health treatment program) or other work activities.

1.17 Elderly Family

A family whose head, spouse, or sole member is a person who is at least 62 years of age; or two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more Live-In-Aides.

1.18 Elderly Person

A person who is at least 62 years of age.

1.19 Eligible Families

Low-income families who are eligible for admission to the public housing program.

1.20 Extremely Low-income

Extremely low-income family means a family whose annual income does not exceed the higher of 30 percent of the median income, or the Federal Property Code for the area, as

determined by HUD.

1.21 Family

Family includes but is not limited to:

- (a) A family with children (if a child has been placed in foster care, the PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member);
- (b) A family without children;
- (c) An elderly family;
- (d) A near-elderly family;
- (e) A disabled family;
- (f) A displaced family;
- (g) The remaining member of a tenant family who meets all other eligibility criteria;
- (h) A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family; or
- (i) Two persons regardless of gender, or sexual orientation sharing residency, who are over eighteen (18) years of age and whose income and resources are available to meet the family's needs as a whole unit and who are either related by marriage, operation of law or intend to live in a stable family relationship.

1.22 Family Members

All members of the household other than Live-In-Aides, foster children, and foster adults. All family members permanently reside in the unit, though they may be temporarily absent. All family members are listed on the lease.

1.23 Full-Time Student

A person who is attending school or vocational training on a full-time basis.

1.24 Guests

Guests may visit the family; however, not to exceed the number of days permitted in the lease agreement. Guest means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to consent on behalf of the tenant. Guest are not persons listed as household members on the most recently determined certification.

1.25 Head of Household

Means the adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

1.26 Household Members

Includes family members, Live-In-Aides, foster children, and foster adults. All household members are listed on the lease, and no one other than household members is listed on the lease.

1.27 HUD

Department of Housing and Urban Development.

1.28 Imputed Welfare Income

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

1.29 Income Information

Income information means information relating to an individual's income, including:

- 1) All employment income information known to current or previous employers or other income sources that HUD or DHA determines are necessary for purposes of determining an assistance applicant's or participant's eligibility for, or level of assistance in, a covered program;
- 2) All information about wages, as defined in the State's unemployment compensation law, including any Social Security Number; name of the employee; quarterly wages of the employee; and the name, full address, telephone number, and when known, Employer Identification Number of an employer reporting wages under a State unemployment compensation law;
- 3) With respect to unemployment compensation;
 - (i) Whether an individual is receiving, has received, or has applied for unemployment compensation;
 - (ii) The amount of unemployment compensation the individual is receiving or is entitled to receive; and
 - (iii) The period with respect to which the individual actually received such compensation;
- 4) Unearned IRS income and self-employment, wages and retirement income as described in the Internal Revenue Code, 26 U.S.C. 6103(l)(7); and
- 5) Wage, social security (Title II), and supplemental security income (Title XVI) data obtained from the Social Security Administration.

1.30 Income Targeting

- 1) Housing Choice Voucher – Housing Choice Voucher
Not less than 75% of the families admitted to the tenant-based Housing Choice Voucher program during DHA's fiscal year shall be families whose annual income does not exceed the following amounts as determined by HUD:

- (i) 30 percent of the area median income with adjustments for small and larger families; or
 - (ii) A higher or lower percent of the area median income if HUD determines a higher or lower percent is necessary because of unusually high or low family incomes.
- 2) Housing Choice Voucher Project-Based Assistance (including moderate rehabilitation and Project-Based)
 Not less than 40% of new admissions to a specific project shall have incomes at or below 30% of the area median income. Other admissions to a specific project must be at or below 60% of the area median income or as otherwise stated in any Colorado Housing Finance Authority (CHFA) application, with any HUD-instituted modifications for relatively low-income or high-income areas. Income targeting requirements do not apply to Project Based Assistance made available to prevent or ameliorate the effects of displacement.

1.31 Incremental

The increase between the total amount of welfare and earnings of a family member prior to enrollment in the training program and welfare and earnings of the family member after enrollment in the training program. All other amounts, increases or decreases, are treated in the usual manner in determining annual income.

1.32 DHS

The Department of Homeland Security

1.33 Live-In-Aide

Live-In-Aide means a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- 1) Is determined to be essential to the care and well-being of the persons;
- 2) Is not obligated for the support of the persons; and
- 3) Would not be living in the unit except to provide the necessary supportive services.

The definition applies to a specific person. In accordance with this definition, a Live-In-Aide is not a member of the assisted family and is not entitled to the HCV as the remaining member of the tenant family.

1.34 Local Preferences

System of selection preferences, based upon local housing needs and priorities determined by DHA, which are used in selecting among applicants.

1.35 Low-Income Family

A family whose annual income does not exceed 80 percent of the area median income, as determined by HUD with adjustments for smaller and larger families. HUD may establish income

ceilings higher or lower than 80 percent of the area median income on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

1.36 Medical Expenses

Medical expenses, including medical insurance premiums that are anticipated during the period for which annual income is computed, and that are not covered by insurance.

Members of the Family

For the purposes of denial and termination of assistance, the definition of members of the family may include any unauthorized family member, and/or guest.

1.37 Mixed Family

A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

1.38 Monthly Adjusted Income

One twelfth of Adjusted Income.

1.39 Monthly Income

One twelfth of Annual Income.

1.40 National

Means a person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

1.41 Near-Elderly Family

Near-Elderly Family means a family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more Live-In-Aides.

1.42 Near-Elderly Person

A person who is at least 50 years of age but below the age of 62 who may be a person with a disability.

1.43 Non-citizen

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

1.44 Non-Elderly Disabled Person

A person with a disability who is less than 62 years of age.

1.45 Net Family Assets

- (a) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment,

excluding interests in Indian trust land and excluding equity accounts in HUD home ownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

- (b) In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust shall be counted when determining Annual Income under 24 C.F.R. § 5.609.
- (c) In determining net family assets, DHA or owners, as applicable, shall include the value of any business or family assets exceeding \$5,000 disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two (2) years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. 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 important consideration not measurable in dollar terms.

1.46 Over-Income Family

A family that is not a low-income family.

1.47 Owner (Housing Provider)

Owner has the meaning provided in the relevant program regulations.

1.48 Person With Disabilities

(a) Admission to Housing Choice Voucher

Persons with Disabilities, as defined in 24 C.F.R. §5.403, means a person who:

- 1) Has a disability as defined in 42 U.S.C. 423;
- 2) Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that: (1) is expected to be of long-continued and indefinite duration; (2) substantially impedes his or her ability to live independently; and (3) is of such a nature that such ability could be improved by more suitable housing conditions, or
- 3) Has a developmental disability as defined in 42 U.S.C. 6001

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

For purposes of qualifying for low-income housing, a person with disabilities does not include a person whose disability is based solely on any drug or alcohol dependence, and means an “individual with handicaps” as defined in §8.3 for purposes of reasonable accommodation and program accessibility for person with disabilities.

Persons with Disabilities means:

- (a) Has disability as defined in section 223 of the Social Security Act (42 U.S.C. 423), or
- (b) Is determined to have a physical, mental, or emotional impairment that:
 - 1) is expected to be of extended continuation and indefinite duration;
 - 2) substantially impedes his or her ability to live independently; and
 - 3) is of such a nature that such ability could be improved by more suitable housing conditions, or
- (c) Has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(5)).

The term “person with disabilities” does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

1.49 Proration of Assistance

The reduction in a family’s housing assistance payment to reflect the proportion of family members in a mixed family, as defined in 24 C.F.R. §5.504(b), who are eligible for assistance.

1.50 Public Housing Agency (PHA)

Any state, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.

1.51 Remaining Family Member

A person who is eighteen (18) years of age or older, meets all other eligibility criteria, and is a member of a DHA tenant family, but not a signatory to the lease and who continues to live in the unit after all other family members have left.

1.52 Housing Choice Voucher (formerly known as Section 8)

Means Housing Choice Voucher of the United States Housing Act of 1937 (42 U.S.C. 1437(f))

1.53 Single Person

A person who lives alone or intends to live alone, who is not an elderly person, a person with disabilities, a displaced person, or the remaining member of a tenant family.

1.54 Specified Welfare Benefit Reduction

A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

Specified Welfare Benefits Reduction does not include a reduction or termination of welfare benefits by the welfare agency:

- 1) At the expiration of a lifetime or other time limit on the payment of welfare benefits;
- 2) Because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or
- 3) Because a family member has not complied with other welfare agency requirements.

1.55 Supportive Services

Supportive Services means those appropriate services that DHA will require, make available, or cause to be made available to an FSS family or other DHA program participants, under a contract of participation, and may include:

- (a) childcare as defined in 24 C.F.R. §984.103(b);
- (b) transportation as defined in 24 C.F.R. §984.103(b);
- (c) education as defined in 24 C.F.R. §984.103(b)
- (d) employment as defined in 24 C.F.R. §984.103(b)
- (e) personal welfare as defined in 24 C.F.R. §984.103(b);
- (f) household skills and management as defined in 24 C.F.R. §984.103(b);
- (g) counseling as defined in 24 C.F.R. §984.103(b); and
- (h) other services as defined in 24 C.F.R. §984.103(b).

1.56 Total Tenant Payment

- (a) Total tenant payment is the highest of the following amounts, rounded to the nearest dollar:
 - 1) 30 percent of the family's monthly-adjusted income;
 - 2) 10 percent of the family's monthly income;
 - 3) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of those payments which is designated for housing; or
 - 4) The minimum monthly rent established by the PHA.

1.57 Training Program

A learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual's ability to obtain employment. It may have performance standards to measure proficiency.

Training may include, but is not limited to:

- (a) classroom training in a specific occupational skill;
- (b) on-the-job training with wages subsidized by the program; or
- (c) basic education.

1.58 Utility Allowance

If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by DHA or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

1.59 Utility Reimbursement

The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total tenant payment for the family occupying the unit.

1.60 Very Low-Income Family

A family whose annual income does not exceed 50 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families except that HUD may establish income ceilings higher or lower than 50 percent of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

1.61 Violent Criminal Activity

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

1.62 Welfare Assistance

Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state or local governments.

1.63 Work Activities

See definition at 407(d) of the Social Security Act (42 U.S.C. 607(d)).

1.64 Working Family

A family whose income is based on actual employment or if the Head of Household and

spouse or sole member are age 62 or older or receiving social security disability, supplemental security income disability benefits, or any other payments based on an individual's inability to work.

Any term not defined in this policy shall have the meaning set forth in the applicable HUD regulations.

SECTION 2

GENERAL PROVISIONS

GENERAL PROVISIONS

2.1 Purpose and Objective

The Housing Choice Voucher Administrative Plan (the “Administrative Plan”) serves several purposes:

- 1) Establishes the Denver Housing Authority (“DHA”) policies for program implementation and administration.
- 2) Sets forth DHA's interpretation of any Department of Housing and Urban Development (“HUD”) rules which are open to interpretation.
- 3) Defines DHA's policies and procedures in areas where HUD rules are silent.
- 4) Assures consistent program operation.
- 5) Assures non-discrimination against families due to arbitrary decision-making.
- 6) Supports DHA's position when legal challenges occur.
- 7) Provides procedural guidance and direction to staff.
- 8) Is the document from which DHA derives its local legal authority.

The DHA Administrative Plan covers the eligibility and administration of the Housing

Choice

Voucher Housing Choice Voucher Program, Housing Choice Voucher Moderate Rehabilitation Program, and the Housing Choice Voucher Project-Based Voucher Program. This Plan also covers administration of HUD Special Admission Programs, as well as the administration of the programs from the point of application to cancellation. The Plan governs administration of the programs in accordance with the HUD regulations.

The objective of the Housing Choice Voucher programs is to provide rental housing assistance to extremely low-income families, very low-income families, and low-income families (where applicable), residing in or wishing to reside in, the Denver community, so they can obtain affordable, safe, decent, sanitary housing.

2.2 Housing Authority Jurisdiction

DHA's jurisdiction is the City and County of Denver. This jurisdiction also includes any other area by which DHA has entered into an inter-governmental agreement with that area.

2.3 Unusual Circumstances

There may be circumstances which arise that do not fall under the provisions stated in this Plan. Those circumstances will be reviewed on a case-by-case basis. Appropriate actions will be taken as warranted. These actions will be documented by the Director – HCV/Housing Choice Voucher.

COVID19 world pandemic was introduced to society in 2019 and as a result disrupted day to day operation through the world. As a result HUD provided both financial and administrative relief to PHA's under the Coronavirus Aid, Relief and Economic Security (CARES) Act, PIH Notice 2020-05 and PIH Notice 2020-13(HA), REV-1. This notice allows for the adoption of waivers in order to reduce administrative burden associated with the operation of HCV and PH programs. The waivers adopted by the HCV program effective April 10, 2020 through December 31, 2020 unless otherwise authorized/extended by HUD are as thereafter stated. Notification of waivers will be provided to the public via a voicemail message on DHA's main or general information telephone number and through DHA's website.

COVID-19 Statutory and Regulatory Waivers

HCV-1. PHA 5-Year and Annual Plan Submission

Dates: Significant Amendment Requirements

Statutory Authority: Section 5A(a)(1), Section 5A(b)(1), Section 5A(g), and Section 5A(h)(2) of the United States Housing Act of 1937 (hereafter "the USHA of 1937")

Regulatory Authority: 24 CFR §§ 903.5(a)(3), 903.5(b)(3), 903.13(c), 903.21, 903.23

DHA's 5-Year and Annual Plan Submission date is currently scheduled for October 18, 2020. DHA will submit its Annual Plan no later than January 16, 2021.

HCV-2. Family Income and Composition: Delayed Annual Examinations

Statutory Authority: Section 3(a)(1) of the USHA of 1937

Regulatory Authority: 24 CFR § 982.516(a)(1) – HCV

DHA may delay annual re-certifications for Public Housing families due to COVID-19 through December 31, 2020. All annual re-certifications due in Calendar Year (CY) 2020 must be completed by December 31, 2020.

HCV-3. Family Income and Composition: Annual Examination - Income Verification requirements

Regulatory Authority: 24 CFR § 5.233(a)(2)

Regulatory Authority: 24 CFR §982.516(a) - HCV

Sub-regulatory Guidance: PIH Notice 2018-18

DHAs may forgo, if necessary, third-party income verification requirements for annual reexaminations including the use of the Enterprise Income Verification (EIV) System, rather than delaying the family's annual recertification.

HCV- 4. Family Income and Composition: Interim Examinations

Statutory Authority: Section 3(a)(1) of the USHA of 1937

Regulatory Authority: 24 CFR § 5.233(a)(2)

Regulatory Authority: 24 CFR § 982.516(c)(2) - HCV

Sub-regulatory Guidance: PIH Notice 2018-18

DHAs may forgo, if necessary, third-party income verification requirements for annual reexaminations including the use of the Enterprise Income Verification (EIV) System, rather than delaying the family's annual recertification.

HCV-5. Enterprise Income Verification (EIV) Monitoring

Regulatory Authority: 24 CFR § 5.233

Sub-regulatory Guidance: PIH Notice 2018-18

DHA will not be monitoring EIV Reports on a monthly basis through December 31, 2020.

HCV-6. Family Self-Sufficiency ("FSS") Contract of Participation: Contract Extension

Regulatory Authority: 24 CFR § 984.303(d)

DHA's Resident & Community Services ("RCS") has implemented the following waiver for the Family Self Sufficiency ("FSS") Program, which allows RCS to use COVID-19 as good cause to extend an FSS contract if clients were unable to meet their goals as a result of COVID-19. The period of availability during which DHA may extend the family's contract of participation using COVID-19 as the "good cause" ends on December 31, 2020.

HCV-7. Waiting List: Opening and Closing; Public Notice

Regulatory Authority: 24 CFR § 982.206(a)(2)

Sub-regulatory Guidance: PIH Notice 2012-34

2.4 Conflict

In the event HUD regulations change the implementation of the Housing Choice Voucher programs governed by this document, the HUD regulatory changes or statutory provisions governing Housing Choice Voucher programs will take precedence over the provisions of this Plan.

2.5 Reasonable Accommodation and 504 Coordinator

DHA has designated a 504 Coordinator responsible for making determinations on requests for accommodation in compliance with the Reasonable Accommodation in Housing Guidelines ("RAHG"). The 504 Coordinator may receive complaints and other reports of violations of governing law from other participants or interested persons outside DHA and will investigate such complaints promptly. Following such investigation, the 504 Coordinator will make a determination on the complaint, and if necessary, take corrective action.

The 504 Coordinator can be contacted at PO Box 40305, Mile High Station, Denver, Colorado 80204 (720) 932-3091, Fax (720) 932-3009, TDD (720) 932-3111.

The Participant Orientation Packet, Moving Packet, Re-Examination Packet, and Re-Determination Packet will contain the aforementioned information regarding the 504 Coordinator, as well as Notice of Availability of Reasonable Accommodation.

Also Refer to Section 3.2: Admissions And Continued Occupancy Terms And Policies (“ACOP”)

2.6 Housing Programs Available

- 1) Housing Choice Voucher Program
- 2) Moderate Rehabilitation Program
- 3) Project Based Voucher Program
- 4) Single Room Occupancy (SRO)
- 5) HUD – Veterans Affairs Supportive Housing (VASH)
- 6) VASH – Project Based

2.7 Eligible Types of Housing

Eligible Types of Housing include: Single family dwellings, duplex, triplex, four-plex, row- type housing, multi-unit complexes, apartments, condominiums, town homes, mobile homes, and manufactured homes. Hotels, motels, nursing homes, college or school dormitories, other types disallowed by HUD regulations, or a unit occupied by its owner or by a person with any interest in the dwelling unit are not eligible types of housing.

2.8 Special Housing Types

At DHA’s discretion, DHA may allow a family to use any of the following special housing types in accordance with the regulations of the program: single room occupancy housing, congregate housing, group home, shared housing, or cooperative housing and assisted living. DHA will follow HUD regulations regarding participants residing in these special housing types.

2.9 DHA-Owned Units

If a family leases a unit owned by DHA, DHA will utilize an outside entity to conduct HQS inspections, rent determinations, and rent reasonableness. DHA will follow HUD regulations regarding DHA-owned housing.

2.10 Manufactured Housing

A family may reside in a manufactured home with assistance under the program. DHA will follow HUD regulations regarding participants residing in manufactured homes.

2.11 Homeownership for the Disabled

DHA administers a Housing Choice Voucher Homeownership Program for disabled participants. This program is not accepting new participants. See Section 10: Housing Choice Voucher Home Ownership Program.

2.12 Maintenance of Program Records

Past participant files will be maintained for the following time frames:

- 1) Past participants leaving with no balance owed DHA: 3 years.
- 2) Past participants leaving with a balance owed DHA: seven years since last activity on account.

2.13 Program Eligibility

For program eligibility requirements see, Section 3.3: Admissions and Continued Occupancy Terms and Policies ("ACOP) of the Housing Authority of the City and County of Denver.

2.14 Program Admission

DHA may admit an applicant to the program either:

- 1) As a HUD Special Admission, (e.g. VASH, PBV) or
- 2) As a lottery admission, or
- 3) As a participant porting in from another housing authority.

2.15 Special Admission

A Special Admission is admission of an applicant that is not in the DHA Housing Choice Voucher lottery pool, or without considering the applicant's position in the lottery pool. Special admission is used only when HUD awards program funding targeted for families living in specified units.

- 1) DHA must use the assistance for the families living in targeted units.
- 2) DHA may admit a family that is not in the DHA lottery pool, or without considering the family's lottery pool position. DHA will maintain records indicating that the family was admitted with HUD-targeted assistance.

2.16 New Admissions

Seventy-five (75) percent of new admissions to the Housing Choice Voucher Program will be at or below thirty (30) percent of the Area Median Income.

2.17 Housing Choice Voucher Lottery Pool

The Housing Choice Voucher Program utilizes a lottery pool for admissions to the program. Please refer to Section 3.17: Admissions and Continued Occupancy Terms and Policies for details.

- (a) The Housing Choice Voucher lottery pool will contain the following information for each applicant listed:
 - 1) Applicant name.
 - 2) Social Security number.
 - 3) Date of birth.
 - 4) Home/Mailing address.
 - 5) Telephone number.
 - 6) Date and time of application.
 - 7) Qualification for any local preference, (e.g. homeless, veterans, etc.)
 - 8) Household size.
 - 9) Household income.
 - 10) Identification of Optional Contact Person or Organization
- (b) The order of admission from the lottery pool will be based on a random drawing or other random choice technique (lottery).
- (c) The lottery pool will be opened annually, depending on funding availability.

When DHA opens the Housing Choice Voucher lottery process, DHA will issue public notice that families may apply for the Housing Choice Voucher Program.

DHA will issue the public notice by publication in local newspapers of general circulation and also minority media. The notice will comply with the Equal Opportunity plan and with HUD Fair Housing requirements.
- (d) As applicants are needed for the Housing Choice Voucher program, random drawings will occur from the lottery pool. DHA will determine the number of applicants drawn based on need. Drawing dates will be posted on DHA's website. Drawn numbers will be posted at all lottery pool sites.
- (e) At the end of each year the Housing Choice Voucher lottery pool is purged.

2.18 Special Admission Program

- 1) Single Room Occupancy Program

The Colburn Hotel Single Room Occupancy ("SRO") is a HUD approved program that provides housing to homeless individuals. The Colburn Hotel is an 88-unit single room occupancy facility operated through the Moderate Rehabilitation Program.

First priority for units will be given to those individuals who are currently homeless. Since the Housing Choice Voucher application process is a lottery system, approved applicants will be referred by the Colburn Hotel management.

They will provide a copy of the wait list of applicants who must meet eligibility criteria for the Housing Choice Voucher housing in accordance with Federal regulations, 24 C.F.R. 882.514 and 882.808.

The Colburn Hotel management will conduct initial determination of Housing Choice Voucher housing eligibility. They will then forward the application to the DHA Housing Choice Voucher Eligibility Department for final determination and approval. Applicants will not be housed until this final approval is received.

If the individual is not eligible for any reason, the Colburn Hotel management will be notified of the same in writing.

Once the individual is determined to be eligible for DHA housing, the application will be sent to the Housing Choice Voucher office. The individual will then become a participant in the program in accordance with program regulations.

Housing Choice Voucher participants participating in this special admission program must comply with the same family obligations as all Housing Choice Voucher participants.

Program Outreach

The Colburn Hotel will conduct outreach for applicant referrals through contact with several appropriate organizations. Those will include emergency and transitional shelters, mental health clinics, and alcohol/drug program clinics.

Supportive Services:

Supportive services available to the participant will include case management from the various agencies that referred the participant including, but not limited to, alcohol and drug abuse services, mental health services, and AIDS-related services. Information regarding employment/training and education will also be made available. Monthly tenant meetings will allow for tenant input and participation in how management operates the hotel and for sharing of information. The Colburn Hotel management will furnish DHA with minutes from the monthly meetings and annual progress reports so that DHA can monitor these services.

2) DHA Displacement and Relocation Program

The following policy applies in instances where DHA requires current DHA or Denver Housing Corporation ("DHC") residents to relocate due to a major reconstruction, demolition, or for any other reason.

All affected residents must be pre-approved for the Housing Choice Voucher program, by the Admissions Department, before a voucher will be issued. Applicants will be issued a voucher through regular procedures, as specified in the DHA Admissions and Occupancy Terms and Policies and the Administrative Plan. All HUD regulations and DHA Housing Choice Voucher procedures will apply to affected residents who become Housing Choice Voucher participants.

When DHA receives a special purpose allocation for Public Housing Demolition or Disposition, DHA will offer the families the form of assistance DHA was allocated. The families must submit an application to DHA for the Housing Choice Voucher program, and must be eligible to participate in the Housing Choice Voucher program. The family cannot choose the form of assistance. If a family refuses the housing voucher, the family will be terminated and removed from the lottery pool. In the termination process DHA will comply with 24 CFR 968.108. Where appropriate and available, Housing Choice Voucher vouchers will be utilized for the DHA Designated Housing Plan.

3) ROSS Homeownership Supportive Services Program

The ROSS Homeownership Supportive Services Grant Program (HSS), funded by HUD, closed December 31, 2009. Qualified buyers were processed by that date.

4) HUD-VASH Program

The HUD-VASH program combines HUD HCV rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs (VA) at its medical centers and in the community. Ongoing VA case management, health and other supportive services will be made available at VA Medical Center supportive service sites. DHA has received 306 vouchers for the HUD-VASH program, and will receive 10 additional vouchers effective August 1, 2016.

2.19 Local Preferences

A special admission is not counted against the local preference limit. The local preference limit does not apply when an applicant is received in the DHA program under portability procedures. Applicants will be issued a voucher through regular procedures, as specified in the DHA Housing Choice Voucher Administrative Plan, under the Admissions and Continued Occupancy Terms and Policies ("ACOP"). Housing Choice Voucher participants participating in this special needs program must comply with the same family obligations as all Housing Choice Voucher participants.

The following Local Preferences are administered by DHA, in no specific order of preference:

1) Colorado Health Network Program

The Colorado Health Network (“CHN”), in conjunction with private developers, provides case management and special needs housing to persons disabled by the Human Immunodeficiency Virus (HIV) and/or Acquired Immunodeficiency Syndrome (“AIDS”). In order to meet the special needs of this group in the Denver community, DHA will provide a maximum of fifty (50) vouchers, at any given time, to participants under case management by CHN for this specific special need. The number of vouchers may vary depending upon ACC re-configurations due to changes in family composition requiring different bedroom sizes. The DHA local preference will be applied to those individuals who qualify pursuant to CHN’s definition of disabled specifically with HIV and/or AIDS, and who are participants in their case management.

2) Atlantis Program

The Atlantis Corporation provides special needs housing to disabled persons. In order to meet the special needs of the disabled in the Denver community, DHA will provide a maximum of forty-five (45) vouchers to Atlantis for the disabled housing program at any given time. The number of vouchers may vary depending upon ACC re-configurations due to changes in family composition requiring different bedroom sizes.

3) Mental Health Corporation of Denver & MHCD Street to Home

Mental Health Corporation of Denver (MHCD) provides case management and special needs housing to persons disabled by chronic mental illness. In order to meet the special needs of this group in the Denver community, and to assist the City and County of Denver in resolution of the *Goebel* lawsuit, DHA will provide a maximum of one hundred (100) vouchers to participants in this special needs group and who participate in case management provided by MHCD. The number of vouchers may vary depending upon ACC re-configurations due to changes in family composition requiring different bedroom sizes.

4) Colorado Coalition for the Homeless Families Program

The Colorado Coalition for the Homeless (“CCH”) provides housing with health care and supportive services to multi-problem homeless families. DHA will provide a maximum of one hundred (100) vouchers to CCH for this homeless families housing program at any given time. The number of vouchers may vary depending upon ACC re-configurations due to changes in family composition requiring different bedroom sizes.

5) Catholic Charities of Denver Service Enriched TBRA Program

The Catholic Charities of Denver-Services Enriched TBRA Program no longer has available vouchers.

Catholic Charities Family Program Catholic Charities Holy Rosary

6) Department of Human Services (CARES Center, CORE)

The Denver Department of Human Services provides program coordination for the Ten Year Plan to End Homelessness that includes housing, health care and supportive services to homeless families. DHA will provide sixty (60) vouchers to the Denver Department of Human Services for homeless families each year.

7) The Delores Place (The Delores Project)

The Delores Project provides emergency shelter and transitional housing with supportive services to unaccompanied adult women who are homeless and have limited resources. DHA will provide ten (10) vouchers to The Delores Place at any given time. The number of vouchers may vary depending upon ACC reconfiguration due to changes in family composition requiring different bedroom sizes

8) Money Follows The Person

Money Follows the Person is a federal grant program that will allow Medicaid enrolled individuals to transition from institutions, such as nursing homes, into community based living. Their Medicare coverage “follows” the person from the institution into the community. DHA will provide thirty (30) vouchers to individuals who participate in case management provided through CRP. The number of vouchers may vary depending upon ACC reconfiguration due to changes in family composition requiring different bedroom sizes.

9) Re-Entry Program (Community Re-Entry Program)

The Re-entry Program (CRP) serves Denver residents exiting Denver County Jail after serving time on misdemeanor offenses. CRP provides case management services and referral support to help individuals stay out of jail. DHA will provide fifteen (15) vouchers to individuals who participate in case management provided by CRP. The number of vouchers may vary depending upon ACC reconfiguration due to changes in family composition requiring different bedroom sizes.

10) Cornerstone Residences (Special)

11) Denver Health CHARTS Program

12) Denver Public Schools Homeless Liaison

13) Denver Rescue Mission (Next Step) and (The Crossing)

14) Denver Street Outreach Collaborative

15) Division of Family Employment Resources

16) Family Promise

17) Front Porch

18) Homeless – FHS

19) VOA Homeless (Bannock Youth/Family, Irving Street, Rapid Rehousing & Rapid

- Rehousing Plus Care)
- 20) Hurricane Katrina – Displaced
 - 21) Joshua Station
 - 22) Marisol Homes
 - 23) One Home Move On Program
 - 24) One Home VI-SPDAT Program
 - 25) Open Door Youth – Re-entry Program
 - 26) ROSS Homeownership
 - 27) Salvation Army Housing NOW
 - 28) Second Chance
 - 29) W Inc (Tier 1, 2 & 3)
 - 30) Warren Village (First Step & TH)

2.20 Admission Date

Date of admission to the Housing Choice Voucher Program and Moderate Rehabilitation Programs is the effective date of the first Housing Assistance Payments (“HAP”) Contract and lease. The family becomes a participant on the effective date of the HAP Contract executed by DHA for the family (first day of the initial lease).

2.21 Participant

A participant in the Housing Choice Voucher Program, Moderate Rehabilitation, PBV and SRO programs is a family that has been admitted to DHA’s program via an executed HAP Contract and lease. The family becomes a participant on the effective date of the first HAP Contract executed by DHA for the family (first day of the initial lease term).

2.22 Rent Reasonableness

Rent comparability to similar unassisted units within the same market area will be implemented for all units under the Housing Choice Voucher Housing Choice Voucher Program, at the time of initial lease up and upon subsequent requests for a rent increase. DHA will consider the location, quality, size, unit type, age, amenities, housing services, maintenance and utilities. DHA will disapprove any Request for Tenancy Approval (“RFTA”) for which it determines the rents are not supported by market comparable giving due consideration to location and the housing amenities offered. If an owner contests DHA's Rent Reasonableness determination, the owner may submit written documentation to support his/her contention. Written documentation includes: appraisals, rent roll of owner's comparable unassisted units, rent roll of similar unassisted units in similar area. A final determination will then be made by the Housing Choice Voucher Inspections Supervisor.

2.23 Utility Allowance Schedule

DHA will maintain a schedule of utilities in accordance with HUD regulations to be used in the determination of HAP to owners. The utility allowance schedule will be evaluated annually, by an outside contractor, using data compiled by Xcel Energy and the Denver Water Department.

A Utility Allowance Payment (“UAP”) check will be mailed to those participants whose utility allowance is greater than the Tenant Rent the first month the family is eligible for such payment.

Subsequent UAP’s will be deposited to a debit card sent to the family after the first check has been issued.

DHA will use the appropriate utility allowance for the size of the dwelling unit actually leased by the family. On request from a family that includes a person with disabilities, DHA may approve a higher utility allowance than the amount on the Utility Allowance Schedule, if a higher utility allowance is needed as a reasonable accommodation.

2.24 Payment Standards Review

The Housing Voucher payment standard schedule will be reviewed annually. The schedule amounts may be set between 90 to 110 percent of the HUD Existing Program Fair Market Rents (“FMR”), up to 120% for an approved reasonable accommodation.

The payment standard for the family will be the lower of:

- 1) The payment standard for the family unit size, or
- 2) The payment standard for the unit size rented by the family.

2.25 Subsidy Standards

Subsidy standards are published in the DHA Admissions and Occupancy Terms and Policies. Exceptions to these standards will be granted on a case-by-case basis solely at the discretion of DHA including all reasonable accommodation requests. Requests for accommodation must comply with the Reasonable Accommodation in Housing Guidelines (“RAHG”).

2.26 Administrative Fee Reserve

DHA must obtain Board of Commissioners approval for any use of the Administrative Fee Reserve.

2.27 Portability

DHA has the option of absorbing or administering incoming vouchers. Determination to absorb or administer will be made on a case-by-case basis, based on the number of available vouchers, current funding levels and other relevant data.

If the participant is porting to an area that is in more than one Public Housing Authority (“PHA”) jurisdiction, the participant may choose which PHA to go to.

Denying Family Requests to Move: DHA will deny a family’s request to move if it has grounds to do so under the program regulations, which are as follows:

1) DHA has grounds to deny the move because of the family's action or failure to act as described in 24 CFR 982.552 or 982.553.

2) The family is a non-resident applicant, or the family was a non-resident applicant that has not yet been assisted in DHA's jurisdiction for twelve months since being admitted to the program (see 24 CFR 982.353(c)).

NOTE: Due to the rental market conditions in the City and County of Denver, as of June 6, 2012, DHA will allow non-resident applicants to exercise the right to port out. This is a temporary change and may be revoked at DHA's discretion.

3) The family is an applicant and is not income-eligible (see 24 CFR 982.353(d)(1)) in the area in which they wish to initially lease a unit.

4) DHA has established policies on the timing and frequency of moves in accordance with 24 CFR 982.314(c)(2), and the requested move does not comply with those policies.

5) Under the guidance of HUD, DHA does not have sufficient funding for continued assistance to support a move (within or outside of the DHA's jurisdiction) in accordance with 24 CFR 982.314.

Families cannot exercise portability if money is owed to DHA. Families who request a portable voucher must pay all monies owed to DHA before the portable voucher will be processed.

Participants who hold vouchers through any of the aforementioned Local Preferences will be allowed portability in accordance with the voucher program regulations.

Participants requesting a port out to a Housing Authority with a higher payment standard may be denied based on funding ability as approved by HUD. DHA reserves the right to bill initial housing authorities and not absorb them due to funding issues at the time the request to port into DHA's jurisdiction is received.

Requests for reasonable accommodations must comply with the Reasonable Accommodation in Housing Guidelines ("RAHG").

1) DHA as Initial PHA

The following information will be provided to the receiving PHA:

- HUD Form 50058
- HUD Form 52665
- Housing Choice Voucher
- Other information regarding the participant that DHA believes is necessary for the receiving PHA to know including but not limited to: pending legal actions, pending evictions.

- DHA is required to submit 50058 data to the HUD.
- Absorbing /Billing Request

Participants are responsible for providing the receiving PHA with copies of birth certificates and social security cards.

2) DHA as Receiving PHA

The following documents will be required from the initial PHA:

- HUD 50058
- HUD 52655
- Housing Choice Voucher
- Other information regarding the participant that DHA believes is necessary for it to know including but not limited to: pending legal actions, pending evictions, reasonable accommodation status.

DHA will notify the initial PHA and the family, if the family fails to submit a RFTA before the voucher expires.

The Agency to which an amount is owed will be responsible for collecting amounts owed for debts. The initial PHA will monitor the effect of those debts on unit transfers.

DHA will bill the initial PHA monthly. If the initial PHA does not remit payment to DHA. DHA reserves the right to pursue any and all collection activities. These activities may include withholding payment due the initial PHA for amounts due from DHA portability participants.

DHA will enter 50058 information as required by HUD regulations.

- (a) Denial or termination of assistance: If the initial PHA has grounds for denying or terminating assistance for a portable family that has not been absorbed by the receiving PHA, the PHA may act on those grounds at any time.

2.28 Termination of Contracts

Termination of HAP Contracts may be required if funding is no longer available under the ACC.

Families affected by a HAP contract termination will be placed on a waiting list by name and termination date. As funding becomes available or is projected to be available families will be selected from the waiting list by termination date and family name. Families with the same termination date and name will be issued a voucher based on the availability of funds.

2.29 Determination of Passbook Rate

In accordance with PIH notice 2012-29 issued by HUD on June 21, 2012, DHA has determined its passbook rate to be .06 percent. DHA will check the Savings National Rate (Non-Jumbo Deposits) found at www.fdic.gov/regulations/resources/rates/ on an annual basis to

ensure current rate is within 75 basis points.

SECTION 3
ADMISSIONS AND CONTINUED OCCUPANCY TERMS AND
POLICIES (“ACOP”)

3.1 Fair Housing

It is the policy of DHA to fully comply with all Federal, State and local nondiscrimination laws including, but not limited to, Section 504 of the Rehabilitation Act and HUD's regulations governing Fair Housing and Equal Opportunity.

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

3.2 Reasonable Accommodation

- a) It is DHA's policy to provide a "reasonable accommodation" in housing for applicants, residents, and Participants with disabilities where a reasonable accommodation is necessary to provide them with an equal opportunity to participate in, or benefit from, DHA housing programs. When such accommodations are granted, they do not confer special treatment or advantage for the person with a disability; rather, they make the program accessible to them in a way that would otherwise not be possible due to their disability.

Individuals may request a reasonable accommodation by following the procedures outlined in the Housing Authority of the City and County of Denver Reasonable Accommodation In Housing Guidelines ("RAHG"). These guidelines clarify how people can request accommodations, and the guidelines DHA will follow in determining whether it is reasonable to provide a requested accommodation. A Request for Reasonable Accommodation form should be requested and completed. While a participant may request a reasonable accommodation in any form, written or oral, participants are highly encouraged to use DHA's forms to ensure sufficient information is provided needed to determine the request.

DHA has the right to obtain verification that the person has a disability. If more than one accommodation is equally effective in providing access to DHA's programs and services, DHA retains the right to select the most efficient or economic choice.

- b) **Effective Communications:** Upon request, DHA will provide alternative forms of communication for individuals who are visually, hearing, mentally or manually impaired to ensure the individual is able to effectively communicate with DHA, in compliance with DHA's Guidelines for the Provision of Alternative Forms of Communication for Individuals with Disabilities. DHA will furnish appropriate auxiliary aids (e.g., qualified sign language and oral interpreters, readers, use of taped material) where necessary to facilitate communication with an individual with a disability. DHA will not mail HCV notices to a P.O. Box. DHA will send all notices to the address for which HCV Participant receives Housing Assistance Payments. Exceptions to this policy will be made only due to Health and Safety issues, VAWA

requests, as a reasonable accommodation as outlined in DHA's RAHG, or for good cause on a case by case basis. Participant preference is not sufficient to support a P.O. Box request.

3.3 Eligibility for Admission to Housing Choice Voucher Tenant-Based and Project Based Voucher Program

In order for an applicant to be eligible for admission to the Housing Choice Voucher program, the applicant must be eighteen (18) years old, or an emancipated minor, and meet the following conditions:

- 1) Family: The applicant shall meet the definition of family as set forth in Section 1 of this Policy.
- 2) Income Eligible: The applicant must be income eligible in accordance with the annual income limits for admission to the Housing Choice Voucher program as set forth in HUD's most recent, published income limits for admission.
- 3) U.S. Citizen or National: The applicant must be a U.S. citizen or U.S. national as defined in 24 C.F.R. Part 5. U.S. citizens and U.S. nationals must provide a signed declaration of U.S. citizenship or U.S. nationality. Non-citizens who are 62 years of age or older or who will be receiving assistance under a Section 214 covered program on September 30, 1996, or applying for assistance after that date, must provide a signed declaration of eligible immigration status and proof of age document. All other non-citizens must provide a signed declaration of eligible immigration status, one of the documents referred to in 24 C.F.R. §5.510, and a signed verification form. See Section 2.6 for more details.
- 4) Housing Choice Voucher Applicant Selection Criteria: It is DHA's policy that all applicants, and applicant's family, for the Housing Choice Voucher programs shall be screened for program eligibility in accordance with HUD regulations. Relevant information which DHA will consider includes, but is not limited to, the following:
 - (a) Drug-related criminal activity or violent criminal activity or other criminal activity including, but not limited to any illegal criminal activity that has as one of its elements: the use, or threatened use of physical force against the person or property of another. DHA will deny an applicant who has been convicted of manufacturing or otherwise producing methamphetamine in violation of any Federal or state law. DHA may deny assistance if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether applicant or applicant's family member has been arrested or convicted.
 - (b) Maintenance of housing in a decent and safe condition based on living or housekeeping habits and whether such habits could adversely affect the

health, safety or welfare of other tenants.

- (c) A criminal background check on all adult household members, including Live- In-Aides.
- (d) Applicant or any household member has been involved in unlawful sexual behavior, or any person classified as a sexually violent predator, who is required to register with the local law enforcement agency in which he/she resides in accordance with Section 18-3-412.5, C.R.S.
- (e) A home visit that considers cleanliness and care of rooms, and appliances. DHA reserves the right to further investigations.
- (f) Applicant or applicant family's illegal use, or possession for personal use, of a controlled substance within one (1) year from the date DHA provides notice to the applicant of DHA's determination to deny assistance.
- (g) Applicant or applicant family's illegal use of a controlled substance or abuse of alcohol gives DHA reasonable cause to believe that the abuse may interfere with the health, safety, or right to peaceful enjoyment of the premises by other tenants.
- (h) DHA may prohibit admission of a household to the program if the PHA determines that any household member is currently engaged in, or has engaged in during a reasonable time before the admission:

(1) Drug-related criminal activity;

(2) Violent criminal activity;

(3) Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; or

(4) Other criminal activity which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of DHA (including a DHA employee or a DHA contractor, subcontractor or agent).

DHA may waive the policies prohibiting admission in these circumstances if the person demonstrates to DHA's satisfaction that the person is no longer engaging in illegal use of a controlled substance or abuse of alcohol and:

- (i) has successfully completed a supervised drug or alcohol rehabilitation program;
- (ii) has otherwise been rehabilitated successfully; or

- (iii) is participating in a supervised drug or alcohol rehabilitation program.
- (i) Applicant or applicant's family who have been evicted from public housing, Indian housing, Section 23 or any Housing Choice Voucher programs because of drug related criminal activity are ineligible for participation in the Housing Choice Voucher program for a three year period, beginning on the date of such eviction. DHA may waive this requirement if:
 - (i) the person demonstrates successful completion of a rehabilitation program approved by DHA, or
 - (ii) the circumstances leading to the eviction no longer exist. For example, the individual involved in drugs is no longer in the household because the person is incarcerated.
 - (iii) Being a victim of domestic violence, dating violence or stalking is not an appropriate basis for denial of program assistance or for denial of admission, if the applicant otherwise qualifies.
- (j) Applicant or applicant's family has a current behavior of other criminal activity which may threaten the health, safety or right to peaceful enjoyment of the premises by other residents or persons in the vicinity.
- (k) Applicant or applicant's family has a current behavior of other criminal activity which threatens the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of DHA.

DHA's criminal record review process will be as follows: For one or more incidents, DHA will consider all relevant factors, on a case-by-case basis, when making its decision to deny or approve assistance.

Consideration of mitigating circumstances does not guarantee that applicant will qualify for admission. DHA may require the applicant to submit a Request for Accommodation, in compliance with DHA's RAHG, in order to determine if a mitigating circumstance qualifies as a reasonable accommodation. DHA has discretion to consider all of the circumstances in each case including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure to act.

- 5) College Student Admissions: In accordance with 24 C.F.R. Parts 5 and 982.
 - (a) The student rule is not applicable to students living with parents who, as a household, are applying for assistance or are already receiving assistance.
 - (b) The DHA must determine the eligibility for assistance of applicants and must re-determine the eligibility for assistance for some participant students.

- (c) If the student is under 24 and not a veteran, not married, or has no dependents, both the student's income and the parent's income must be used for eligibility determination unless the student has been determined to be an independent student by the DHA.
- (d) Financial assistance over tuition and fees is counted in annual income for eligibility purposes for all students except those older than 23 years of age with dependents.

The only group of participants who would be terminated if ineligible individually or jointly are students under 24 and not a veteran, married or with dependents. This group includes independent students. Therefore, if the rule only applies to eligibility and not rent, there will be no effect on all other student participants.

3.4 Verification of Citizenship or Eligible Non-Citizen Status/Housing Choice Voucher

- (a) The citizenship or eligible non-citizen status of each family member regardless of age must be determined. Prior to being admitted, all citizens and nationals will be required to sign a declaration under penalty of perjury. They will be required to show proof of their status. DHA shall notify applicants and participants that they will be required to submit evidence of citizenship or eligible immigration status. This requirement applies to all families regardless of any documentation of the person's identity, which may have been previously obtained. An extension of time, not to exceed ninety (90) days, may be granted to allow the applicant an opportunity to obtain the evidence required. The determination of the length of the extension needed shall be based on the circumstances of each individual case. The decision to grant or deny an extension shall be a written notice to the applicant, which specifies the extension period. If the extension is denied, the notice shall explain the reasons for the denial.
- (b) Applicants with no eligible family members do not qualify for assistance.
- (c) Applicants whose family members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status (Mixed Family) qualify for Prorated Assistance.
- (d) Non-citizen student applicants or participants, living alone or accompanied by immigrant spouse and/or children do not qualify for assistance.
- (e) Non-citizen student applicants or participants whose family members include a citizen spouse and citizen children are eligible for Prorated Assistance.
- (f) Tenants in occupancy on or before June 19, 1995, are eligible for continued assistance if head of household or spouse are eligible and family includes no non-eligible members other than parents or children of head of household or spouse. Tenants who do not qualify for continued assistance have the opportunity to choose between a temporary deferral of assistance or Prorated Assistance.
- (g) Tenants in occupancy on or before June 19, 1995, who do not qualify for

continued assistance and whose family members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status (Mixed Family) have the opportunity to choose between temporary deferral of assistance or Prorated Assistance.

- (h) Tenants who qualify for a temporary deferral of assistance must show evidence of seeking a standard appropriate size unit within 125% of the rent it is presently paying before the deferral will be granted. The deferral period shall be for an initial period not to exceed six (6) months. The initial period may be renewed for six months, but the aggregate deferral period for deferrals provided after November 29, 1996, shall not exceed a period of eighteen (18) months. The aggregate deferral period for deferrals granted prior to November 29, 1996, shall not exceed three (3) years.
- (i) Mixed Family in occupancy after June 19, 1995, qualifies for only Prorated Assistance.
- (j) Prorated Assistance shall be recalculated whenever there has been a change in family composition or income.
- (k) DHA will calculate the proration of assistance using the methodology for determining maximum rents and proration as provided by HUD.
- (l) Tenants in occupancy after June 19, 1995, with no eligible family members do not qualify for assistance.
- (m) Upon determination of ineligible status the maximum rent based on the 95th percentile will be charged effective the first of the month following notification to tenant of ineligible status.

3.5 Social Security Number Disclosure/Housing Choice Voucher Programs

At the time of initial application (if an applicant), or at the next regularly scheduled re-examination (if a Housing Choice Voucher participant), each applicant, or Housing Choice Voucher participant must submit the complete and accurate social security number ("SSN") assigned to the applicant, or Housing Choice Voucher participant and each member of their family. Documentation verifying each SSN must also be provided. If an applicant, or their family member has a SSN that cannot be documented then he/she/they must sign a certification in the form and manner that HUD and DHA prescribe in applicable administrative instructions. If an applicant or their family member has never been assigned a SSN, then he/she/they must sign a certificate in the form and manner that HUD and DHA prescribe in applicable administrative instructions. Applicants are required to apply for a SSN for all children.

A 90-day period will be granted to allow an applicant family to become a program participant when the family lacks the documentation to verify the Social Security Number (SSN) of a family member under the age of 6 years. Failure to verify SSN within the required/approved time period will result in denial of program participation.

An extension of one additional 90-day period will be granted if DHA determines that applicant failed to comply due to circumstances outside of the control of the applicant.

- 1) Each Housing Choice Voucher participant whose initial determination of eligibility under the program involved was begun before November 6, 1989, must submit the following information to DHA at the next regularly scheduled income re-examination for the program involved:
 - (a) The complete and accurate SSN assigned to Housing Choice Voucher participant and to each member of their household. The documentation necessary to verify the SSN is a valid card issued by the Social Security Administration or such other evidence prescribed by HUD or DHA.
 - (b) If Housing Choice Voucher participant or any member of their household has not been assigned a SSN, a certification executed by the individual involved which is in the form and manner that HUD and DHA have prescribed must be provided.
- 2) Once a Housing Choice Voucher participant has disclosed and verified every SSN, or submitted any certification that a SSN has not been assigned, the following rules apply:
 - (a) If the Housing Choice Voucher participant's household adds a new member, the Housing Choice Voucher participant must submit to DHA, at the time of addition that includes the new members:
 - (i) The complete and accurate SSNs assigned to each new member. The documentation necessary to verify the SSN, which is a valid card issued by the Social Security Administration, or such other evidence prescribed by HUD or DHA must also be submitted.
 - (ii) If the new member has not been assigned a SSN, a certification executed by the individual involved which is in the form and manner that HUD and DHA have prescribed must be provided.
 - (b) If the Housing Choice Voucher participant or any member of their household obtains a previously undisclosed SSN, or has been assigned a new SSN, the Housing Choice Voucher participant must submit the complete and accurate SSN to DHA within ten (10) business days. The documentation necessary to verify the SSN, which is a valid card issued by the Social Security Administration, or such other evidence prescribed by HUD or DHA, must also be submitted.
 - (c) Additional SSN disclosure and verification requirements may be specified in administrative instructions by DHA.
 - (d) Applicants, Housing Choice Voucher participants who do not have a SSN shall provide DHA with a SSN within 60 days after DHA notifies him/her/them, in writing, that a SSN must be provided.
- 3) If an individual who is required to disclose his/her SSN cannot meet the documentation

requirements, he/she/they must submit to DHA the individual's SSN and a certification executed by the individual that the SSN submitted has been assigned to the individual, but that acceptable documentation to verify the SSN cannot be provided.

- 4) Except for the following, DHA must accept the certification and continue to process the applicant's, or Housing Choice Voucher participant's documents to determine his/her/their eligibility to participate in the program involved:
 - (a) Only for reasons as HUD and DHA prescribe in applicable administrative instructions.
- 5) If DHA determines that an applicant is otherwise eligible to participate in its program, the applicant may not become a Housing Choice Voucher participant unless he/she/they submit(s) the required documentation within ninety (90) calendar days from the date on which the certification is executed. DHA may, in its discretion, extend this period for up to an additional ninety (90) days if the individual is at least 62 years of age and is unable to submit the required documentation within the initial ninety (90) day period.
- 6) If DHA determines that a Housing Choice Voucher participant is otherwise eligible to participate in its program, participation will continue, provided that the Housing Choice Voucher participant submits the required documentation within ninety (90) calendar days from the date on which the certification is executed. DHA may extend this period for up to an additional ninety (90) days, if the individual is at least 62 years of age and is unable to submit the required documentation within the initial ninety (90) day period.
- 7) DHA shall deny eligibility of an applicant in accordance with the provisions governing the program involved, if the applicant does not meet the applicable SSN disclosure, documentation, verification and certification requirements. DHA shall terminate the assistance or tenancy, or both, of the Housing Choice Voucher participant, in accordance with the provisions governing the program involved, if the Housing Choice Voucher participant does not meet the applicable SSN disclosure, documentation, verification, and certification requirements.

3.6 Verification of Statements and Income/Housing Choice Voucher Programs

All income and asset information for admission and continued occupancy will be verified by DHA, prior to determining eligibility for admission. Verification of family composition will be satisfied by submitting birth certificates from the Bureau of Vital Statistics on all children in the family. Legal child custody documentation must be submitted once it has been determined that the mother and father do not live together. For the dependent children listed in the family composition, who are not the children of the head of household or spouse, documentation of legal custody or the notarized written designation of the parent or other person having legal custody of the children must be submitted.

Verification of disability, for application and qualification for “disabled” housing purposes only, will be satisfied by presenting evidence of SSI and Social Security benefits or a doctor’s statement that the individual is disabled. Note: DHA does not consider the applicant, or Housing Choice Voucher participant “disabled” for purposes of reasonable accommodation except as provided for under the Reasonable Accommodations in Housing Guidelines.

Verification of citizenship will be satisfied by submitting birth certificates or naturalization documents.

When an applicant, or Housing Choice Voucher participant reports annual income that appears to be less than adequate to support the family composition and the family appears to be eligible for income that the family reports they do not receive (e.g. TANF, unemployment compensation, child support, etc.) the absence of such income may be verified in order to determine program eligibility or to determine under reported income for program participants whom are claiming zero income. Independent verification of income information may be obtained by the DHA from a Federal agency. DHA shall promptly notify the assistance applicant or participant, in writing, of any adverse findings made on the basis of the information. The assistance applicant or participant may contest the findings in the same manner as applicable to other information and findings relating to eligibility.

Annual re-examinations, for family members with a fixed source of income, may be performed every 3 years.

Housing Choice Voucher Tenant-Based Assistance Only. Applicant information verifying that applicant and members of the household is/are eligible for the Housing Choice Voucher programs can be no more than sixty (60) days old in order for DHA to issue a voucher.

Housing Choice Voucher Tenant-Based Assistance Only. Refer to Section 4: Participant Provisions for details regarding subsequent re-examinations.

Applicants’ or Housing Choice Voucher participants’ files will contain documentation of all verifications including, but not limited to, the following:

- 1) DHA must obtain and document in the tenant file third party verification of the following specific items:
 - (a) Reported family Annual Income;
 - (b) The cash value of assets and income derived from assets greater than \$5000;
 - (c) Expenses related to deductions from Annual Income; and
 - (d) Any other factors that affect the calculation of Adjusted Income.
- 2) All income, assets, and each applicable deduction or exemption will be verified prior to admission and at each subsequent re-examination or re-determination.

The PHA will verify information through the five methods of verification acceptable

to HUD in the following order:

- (a) Enterprise Income Verification (EIV)
The EIV system provided by the Office of Public and Indian Housing will assist PHAs with information or verifying income and unemployment compensation information from various sources including current and former employers, State agencies and the SSA. DHA can use additional EIV resources as they become available. This will be done before, during and/or after examination and/or re-examinations of household income as appropriate.
 - (b) Third-party written verification
An original or authentic document generated by a third party source dated within the 60-day period preceding the re-examination or PHA request date.
 - (c) Written third-party verification form
A standardized form to collect information from a third-party source
 - (d) Third-party oral verification
 - (e) Self certification/self-declaration
- 3) Housing Choice Voucher Tenant-Based Assistance Only. After verification, the applicant certifications shall be signed by the Housing Choice Voucher applicant and a duly appointed DHA representative, as appropriate.
- 4) Additional information required by DHA prior to determining eligibility including, but not limited to, the following:
- (a) Family composition such as vital statistics birth certificates of all minors and custody papers, if applicable;
 - (b) Information that enables DHA to verify the amount of household income;
 - (c) Social Security cards or proof of SSN for each member of the family
 - (d) Military records, if applicable;
 - (e) Photo I.D. of Head of Household/spouse;
 - (f) If not a citizen of the United States, must provide documentation proving legal immigration status in the United States.

3.7 Applicants May Be Denied Housing Choice Voucher Housing Assistance Based on the Following:

- (a) Applicant does not meet any one or more of the eligibility criteria set forth in section 3.3;
- (b) Applicant currently owes rent or other amounts to DHA or another PHA in connection with Housing Choice Voucher or public assistance under the 1937 Act;
- (c) Applicant or applicant's family has not reimbursed DHA for amounts paid to an Owner under a HAP contract for rent, damages to the unit, or other

amounts owed by the family under the lease;

- (d) Applicant or any member of the applicant's family commits fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program including the intentional misrepresentation of information related to their housing application or benefits derived there from;
- (e) Applicant or applicant's family violates any family obligations under the Housing Choice Voucher programs including, but not limited to: failure to supply information and records required in administration of the programs, including those needed to determine income eligibility and family composition; not allowing DHA to inspect the unit at reasonable times and after reasonable notice; not using the premises solely as the family's principal place of residence;
- (f) Criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or persons in the immediate vicinity of the premises. DHA may deny assistance if the preponderance of the evidence indicates that a family member has engaged in such activity, regardless of whether applicant or applicant's family member has been arrested and convicted;
- (g) DHA has previously terminated assistance under the Housing Choice Voucher Program for applicant or any member of applicant's family;
- (h) Applicant or applicant's family has breached an agreement with DHA to pay amounts owed to DHA, or amounts paid to an Owner by DHA;
- (i) Applicant or applicant's family was evicted from federally assisted housing in the last three years;
- (j) The PHA determines that it has sufficient evidence to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents
- (k) DHA has sufficient evidence that the applicant or applicant's family members use illegal, or has possession of a controlled substance within one (1) year from the latest incident of illegal use, or possession, of a controlled substance;
- (l) Applicant or applicant's family has other current criminal activity which may threaten the health, safety or right to peaceful enjoyment of the premises by other residents or persons in the vicinity.
- (m) Applicant or applicant's family has other current criminal activity which

threatens the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of DHA.

- (n) DHA may deny assistance for drug-related or other criminal activity engaged in, on or near the premises by any applicant, applicant's member of the household, or guest, and any such activity engaged in on the premises by any other person under the applicant's, or participant's control.
- (o) Applicant or any member of applicant's family does not sign and submit the consent forms for obtaining information in accordance with Title 24 C.F.R. Part 5, subparts B and F;
- (p) Applicant or applicant's family participation in FSS program fails to comply, without good cause, with the family's FSS contract of participation;
- (q) Applicant or members of the household do not supply information or documentation required by the application process;
- (r) Applicant or members of household have failed to respond to a written request for information or a request to indicate their continued interest in the program;
- (s) Applicant or members of the household have engaged in or threatened abusive or violent behavior towards any DHA staff or residents;
- (t) Applicant or applicant's family members do not meet the applicable SSN disclosure, documentation, verification and certification requirements;
- (u) HUD regulations require that assistance be denied;
- (v) **Denied for Life:** Applicant or any member of applicant's household is subject to a lifetime registration requirement under a state sex offender registration program; and
- (ii) **Denied for Life:** If any applicant or applicant's family member has been convicted of manufacturing or producing methamphetamine in a public housing development or in any federally assisted property.

NOTE: Although DHA determines eligibility for admission to the Housing Choice Voucher programs, the applicant must also meet tenant selection criteria as defined by the private landlord.

DHA can deny admission to any applicant or terminate assistance to any Housing Choice Voucher participant based upon the criteria set forth in subsection (a) through (u) above.

3.8 Notification of Cancellations and Denials for Ineligible Applicants/Housing Choice Voucher Programs

1) Cancellations

Applicants for the Housing Choice Voucher programs may be cancelled for:

- a) Failure to provide necessary requested information in the required timeframe. Exceptions: flexibility may be granted in those cases where obtaining the requested documents are outside of the applicants control, as allowed by HUD regulations.
- b) Failure to resolve any dispute concerning alleged debts owed to DHA within a required timeframe.
- c) Failure to follow HUD regulations, DHA policies and procedures.

2) Denials

For admission to the Housing Choice Voucher programs, the applicant must meet tenant selection criteria set forth in sections 3.3 as defined by DHA.

Applicants for Housing Choice Voucher assistance shall be notified of denial or cancellation, in writing, and informed of his/her right to an informal review. See Section 3.9: Informal Review Process/Housing Choice Voucher Tenant-Based Assistance.

3.9 Informal Review Process/Housing Choice Voucher Tenant-Based Assistance

Refer to Section 7: Housing Choice Voucher Informal Review and Hearings Provisions for details regarding the informal review procedures utilized when an applicant for Housing Choice Voucher has been denied or terminated.

NOTE: DHA is not required to provide the applicant an opportunity for an informal review for any of the following:

- (a) Discretionary administrative determinations by DHA.
- (b) General policy issues or class grievances.
- (c) A determination of the family unit size under DHA subsidy standards.
- (d) A DHA determination not to approve an extension or suspension of a voucher term.
- (e) A DHA determination not to grant approval to lease a unit under the program or to approve a proposed lease.
- (f) A DHA determination that a unit selected by the applicant is not in compliance with Housing Quality Standards ("HQS").
- (g) A DHA determination that the unit is not in accordance with HQS because of the family size or composition.

3.10 Selection Preferences For Housing Choice Voucher Programs

Local Selection for Housing Choice Voucher Tenant-Based Assistance Program

- (a) Mental Health Corporation of Denver
- (b) Colorado Coalition for the Homeless
- (c) Atlantis Program
- (d) Colorado Health Network
- (e) Denver Department of Human Services
- (f) Catholic Charities
- (g) Money Follows the Person
- (h) Re-Entry Program
- (i) The Delores Place

3.11 Description of Local Selection Preferences - Housing Choice Voucher Tenant-Based Assistance Housing

Refer to the Section 2.19: General Provisions for a detailed description of local selection preferences for the Housing Choice Voucher programs.

3.12 Qualification and Verification of Claimed Local Selection Preference Housing Choice Voucher Programs

The Housing Choice Voucher Housing Choice Voucher program does not maintain a waiting list, it selects applicants by lottery.

3.13 Notification of Selection Preference Denial/Housing Choice Voucher Programs

If DHA determines that an applicant does not qualify for a local selection preference claimed by the applicant, DHA shall notify the applicant, in writing, within ten (10) working days of the determination. The notice shall contain a brief statement of the reasons for the determination, and state that the applicant has the right to meet with a representative of DHA to discuss the determination. The meeting may be conducted by any person or persons designated by DHA, who may be an officer or employee of DHA, including the person who made or reviewed the determination or a subordinate of that person.

3.14 Notification of Eligibility for Selection Preference/Housing Choice Voucher Programs

All applicants who are approved for admission into the Housing Choice Voucher program and qualify for a selection preference will be notified, in writing, of their preference status or any change in their preference status.

3.15 Notification of Eligibility for Admission/Housing Choice Voucher Programs

Each applicant determined to be eligible for admission to the Housing Choice Voucher program shall be notified, in writing, of such determination and of the approximate date (if possible) of issuance, as estimated by DHA at the time of notification. A record of notification shall be maintained by DHA for a reasonable period of time.

3.16 Selection from the Lottery Pool/Housing Choice Voucher Tenant Based Assistance and Project-Based Assistance

DHA shall follow the statutory requirement that at least 75% of newly admitted families to the Housing Choice Voucher Tenant-Based Program and 40% of the newly admitted families to the

Housing Choice Voucher Project-Based Program, in any DHA fiscal year, be families whose annual income is at or below 30% of the area median income.

3.17 Housing Choice Voucher - Lottery System

The Housing Choice Voucher application process is not a waiting list system; it is a “lottery” system. This system was created because previously thousands of people would apply, creating years between openings, resulting in crowd problems and a lack of hope.

The HCV/Housing Choice Voucher Lottery pool (for the general public and Local Selection Preferences) will be opened once each year. A public notice will be issued in all applicable newspapers advertising the lottery system and lottery pool opening. The general public and the Local Selection Preferences may submit their lottery entry via the Internet on DHA’s website (www.denverhousing.org). Computer access is available at various DHA locations and the Denver Public Libraries. Instructions are given in three languages (English, Spanish, and Vietnamese) and all forms must be filled out completely. All recipients that appear to be experiencing difficulties communicating in English will be asked if they need a translator in a language other than English (including sign language). Their needs will be accommodated. If a family member or a friend can translate, this option will be utilized to the maximum degree possible. However, DHA retains the right to verify, at a later date, the applicant’s English proficiency. A notice will be posted on DHA’s website to notify enrollees of the date(s) of the drawing(s). The numbers drawn are posted at each of the various DHA locations. The numbers are randomly electronically drawn by DHA computer software. Drawings from that pool will be conducted as available vouchers become available.

The Housing Choice Voucher Admissions Eligibility Department will schedule the interviews for selected lottery recipients (from this point forward “recipient” will be addressed as “applicant”). A letter, a checklist, and an application packet will be mailed to each applicant. The letter will note the date and time of the interview. The applicant will need to complete and sign the application packet, and provide all of the required documentations and verifications on the day of their scheduled interview. Interviews will not occur if the application is incomplete or if the applicant fails to bring in the required documentations or verifications; they will be afforded a second and final interview appointment.

Applicants will be processed and eligibility will be determined once all documents are received and verified. Recipients will be notified of their eligibility. Once the applicant is approved, he/she becomes a Housing Choice Voucher participant and will be referred to the appropriate staff to schedule their Orientation.

Lottery enrollees from the prior year will be retained until a new lottery is held. Randomly selected names will be drawn from this prior year’s list for voucher issuance. For more details refer to Section 2, part 2.17 of the Housing Choice Voucher Administrative Plan.

Also refer to Section 2.17: General Provisions.

3.18 Occupancy Guidelines for Housing Choice Voucher Programs

- 1) The following guidelines are used to determine the number of bedrooms required to accommodate a family of a given size without overcrowding or over-housing. These guidelines may be waived, on a case-by-case basis, for legitimate reasons, or if it is necessary to achieve or maintain full occupancy.

<u>Number of Bedrooms</u>	<u>Number of Persons</u>	
	<u>Minimum</u>	<u>Maximum</u>
0	1	1
1	1	2
2	2	4
3	3	6
4	5	8
5	7	10

- 2) Dwelling units are assigned to avoid the necessity for persons of the opposite sex, other than Head of Household and spouse, to occupy the same bedroom. If necessary, at the time of admission two (2) children of the opposite sex under the age of six (6) may be permitted to occupy the same bedroom. At the time of admission, the tenant may elect to have one (1) child under the age of three (3) occupy the parent's bedroom.
- 3) For the purposes of determining the number of bedrooms required, every household member, regardless of age, is counted as a person. In determining bedroom size, DHA will include children who are temporarily away at school, or children who are temporarily in foster care. Incarceration (including Juvenile detention) does not qualify as a temporary absence if the absence exceeds 180 days.

3.19 Assignment of Vouchers/Housing Choice Voucher

Each applicant shall be assigned his/her appropriate voucher in sequence, based upon factors affecting preference, or lottery drawing, and dates of processing. In the event that two or more applicants have the same preference, date and time of processing will determine who is offered the voucher.

3.20 Housing Assistance Limitation for Single Persons/Housing Choice Voucher Programs

A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a participant family may not be provided:

- 1) For other project-based assistance, a housing unit with two or more bedrooms; or

This provision shall not apply to the Section 8 Moderate Rehabilitation Program for Single Room Occupancy Program for Homeless Individuals set forth in 24 C.F.R. part 882, subpart H.

3.21 Determination of Total Tenant Payment and Tenant Rent/Housing Choice Voucher Programs

- 1) Minimum Rent (Housing Choice Voucher)

- (a) The minimum rent for the Housing Choice Voucher Program, Moderate Rehabilitation Program, and Project Based Voucher Program is \$50. However, if a family requests a hardship exemption, DHA will immediately suspend the minimum rent for the family until DHA can determine whether the hardship exists and whether the hardship is temporary or long term.
- (b) A hardship exists in the following circumstances:
 - i) When the family has lost eligibility for or is waiting for an eligibility determination for a Federal, State or local assistance program;
 - ii) When the family would be evicted as a result of the imposition of the minimum rent requirement;
 - iii) When the income of the family has decreased because of changed circumstances, including loss of employment;
 - (iv) When the income of the family has decreased because of changed circumstances for medical costs, childcare, transportation, education, or similar situations;
 - (v) When a death has occurred in the family;
 - (vi) Other situations as determined in DHA's sole discretion
- 2) Minimum Rent Exceptions for Hardship Circumstances
 - (a) **No hardship.** If DHA determines there is no qualifying hardship, the minimum rent will be reinstated, including requiring back payment of minimum rent for the time of suspension.
 - (b) **Temporary hardship.** If DHA reasonably determines that there is a qualifying hardship but that it is temporary, the minimum rent will not be imposed for a period of 90-days from the date of the family's request. At the end of the 90-day period, the minimum rent will be imposed retroactively to the time of suspension. DHA will offer a repayment agreement for any rent not paid during the period of suspension. During the suspension period DHA will not terminate the family for non-payment of the amount of rent owed for the suspension period. DHA may request reasonable documentation of hardship. Generally for the hardship to be considered temporary, it should be expected to last less than 90 days
 - (c) **Long term hardship.** If DHA determines there is extended long term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists. Generally for the hardship to be considered long-term, it should be expected to last longer than 90 days.

Also refer to Section 4: Participant Provisions

3.22 Leasing of Units/Housing Choice Voucher

Refer to the Section 4: Participant Provisions; Section 5: Landlord/Owner Provisions; and Section 6: Participant/Landlord Provisions.

3.23 Re-Examinations/Re-Determinations/Housing Choice Voucher Programs

Annually and at interim periods, as circumstances may require, the tenant will furnish information and certifications to DHA on family income, employment, and family composition. This information will be used by DHA in determining participant's rent. The minimum rent for the Housing Choice Voucher Housing Choice Voucher Program, Moderate Rehabilitation Program, and Project Based Voucher Program is \$50. However, the minimum rent may be increased as determined by resolution of the Board of Commissioners.

- 1) Rent is determined at time of move-in, at the regular annual re-examinations, and anytime there is a change in income or household composition.
 - (a) All changes must be reported to DHA within ten (10) days of the change.
 - (b) If the amount of welfare is reduced specifically because the family engaged in fraud or failed to comply with an economic self-sufficiency or work activities requirement, the Housing Choice Voucher contribution to rent cannot be reduced based on the benefit reduction. This provision is not applicable if the reduction is neither the result of the expiration of a lifetime limit on receiving benefits nor a situation where the family has complied with welfare program benefits but cannot obtain employment.

When DHA receives a request for income re-determination and rent reduction predicated on a reduction in participant's income from welfare, it may deny the request only after having written verification from the welfare agency that the family's benefits have been reduced because of non-compliance with an economic self-sufficiency program or work activity requirement or because of fraud.
 - (c) Discovery that the participant has misrepresented the facts upon which the rent is based, and the participant is paying less than they should have been charged. In this case, the increase in rent shall apply retroactively. Repayment arrangements may be made in accordance with DHA policy. Repayment arrangements must be made with DHA or the assistance may be terminated. Additionally, failure to make payments on the repayment agreement in a timely fashion will be cause to terminate the assistance. If participant intentionally misrepresents facts upon which rent is calculated a second time, it will be cause to terminate the assistance.
 - (d) If, at the time of admission or re-examination, due to unusual circumstances, projected annual income cannot be determined with any reasonable degree of accuracy, a temporary rent for a specified period may

be established. If, at the expiration of the specified period, the income becomes stable, a new rent will be established. DHA will continue to conduct periodic reviews as often as necessary to determine the rent.

For additional Detail, Refer to Section 4: Participant Provisions

3.24 Addition of Household Member or Live-In-Aide to HAP Contract/Housing Choice Voucher.

Refer to the Section 4: Participant Provisions.

3.25 Misrepresentations/Housing Choice Voucher

The Housing Choice Voucher applicant or participant will be notified, in writing, of any misrepresentations or program violations discovered during the re-examination, rent review, or at other times. The Housing Choice Voucher applicant or participant certifies that accurate information has been provided regarding family composition, income, net family assets, allowances and deductions. Any misrepresentation is a violation of Federal regulations and shall result in the termination of the Housing Choice Voucher assistance under Federal law.

3.26 Order of Precedence

These Admissions And Continued Occupancy Terms And Policies (“ACOP”) define DHA’s policies incorporating Federal, State, and local law. If there is any conflict between this Policy and Federal law or HUD regulations, the federal laws and HUD regulations shall prevail. If there is any conflict between this Policy and the dwelling lease or the grievance procedure, the dwelling lease or the grievance procedure shall prevail.

3.27 Services for Non-English Speaking Applicants and Participants

DHA has developed the Housing Authority of the City and County of Denver Limited English Proficiency Plan (“LEP Plan”), in accordance with federal guidelines, to ensure that all programs, services, and benefits are accessible to eligible individuals who, as a result of national origin, are limited in their English proficiency. This procedure outlines: 1) the process for determining the language needs of the population served; 2) the process for determining what documents are vital and will be translated; 3) provision of interpretation services for non-translated documents; 4) procedures for securing a certified interpreter; 5) how Limited English Proficiency (“LEP”) Persons can access interpreter services; and 6) DHA’s right to certify that an individual is limited English proficient, prior to providing specific interpretation or translation services.

3.28 Paragraph Headings

The captions and headings set forth herein are for convenience of reference only, and shall not be construed so as to define or limit the terms and provisions hereof.

3.29 Violence Against Women and Department of Justice Reauthorization Act of 2005

The purpose of this Act is to protect the safety of victims of domestic violence, dating violence, sexual assault, and stalking who reside in public housing and ensure that such victims have meaningful access to the criminal justice system without jeopardizing such housing. The Act creates long-term housing solutions that develop communities and provides sustainable living solutions for

victims of domestic violence, dating violence, sexual assault and stalking. This allows public housing agencies to build collaborations among victim service providers and to provide appropriate services, interventions and training to address the housing needs of victims of domestic violence, dating violence, sexual assault and stalking. The Act also enables public housing agencies or authorities to respond appropriately to domestic violence, dating violence, sexual assault and stalking while maintaining a safe environment for all housing residents.

This Act amends the United States Housing Act of 1937 with regard to the Public Housing Program in the following ways:

- 1) Being a victim of domestic violence, dating violence or stalking is not an appropriate basis for denial of program assistance or for denial of admission, if the applicant otherwise qualifies.
- 2) An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as a serious or repeated lease violation by the victim or threatened victim and will not be good cause for terminating the assistance, tenancy or occupancy rights of the victim.
- 3) Criminal activity directly related to domestic violence, dating violence, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of assistance, tenancy, or occupancy rights, if the tenant or an immediate family member of the tenant's family is a victim of that domestic violence, dating violence, or stalking.
- 4) A landlord or manager may bifurcate a lease in order to evict, remove or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal act of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant.
- 5) Landlords, managers, and DHA retain the right, when notified, to honor court orders addressing rights of access to or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up.
- 6) A landlord or manager retains the right to evict, and DHA retains the right to terminate assistance to, a tenant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant's household, provided that the landlord or manager will not subject an individual who is or has been a victim of domestic violence, dating violence, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate a tenancy.
- 7) A landlord or manager retains the right to evict, and DHA retains the right to terminate assistance to, a tenant if it can be demonstrated that there is an actual and imminent threat to other tenants or those employed at or providing service to the property if the tenant's tenancy or assistance is not terminated.
- 8) Nothing in the Act shall be construed to supersede any provision of any federal, state, or local law that provides greater protection than the Act to victims of domestic violence,

dating violence, or stalking.

- 9) A participating family may receive a voucher from DHA and move to another jurisdiction under the tenant-based assistance program if the family has complied with all other obligations of the Housing Choice Voucher program and has moved out of the assisted dwelling unit in order to protect the health or safety of an individual who is or has been the victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit.
- 10) A landlord, manager, or DHA may request that an individual certify via a HUD approved certification form that the individual is a victim of domestic violence, dating violence, or stalking, and that the incident or incidents in question are bona fide incidents of such actual or threatened abuse and meet the requirements set forth in the Act. Such certification shall include the name of the perpetrator. The individual shall provide the certification within 14 business days after the landlord, manager, or DHA requests it.
- 11) If the individual fails to provide the certification discussed in paragraph 10 above within 14 business days of a request, the landlord, manager, or DHA may terminate the assistance for any tenant or lawful occupant that commits a violation of the lease. The landlord, manager, or DHA may extend the 14 day deadline at their discretion.
- 12) An individual may satisfy the certification requirement discussed above in paragraph 10 by: 1) providing the requesting landlord, manager, or DHA with documentation signed by an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of the abuse, in which the professional attests under penalty or perjury to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim has signed or attested to the documentation; or 2) producing a federal, state, tribal, territorial, or local police or court record.
- 13) All information provided to a landlord, manager, or DHA relating to the fact that an individual is a victim of domestic violence, dating violence, or stalking, shall be retained in confidence, except to the extent that disclosure is:
 - i. requested or consented to by the individual in writing; or
 - ii. required for use in an eviction proceeding; or
 - iii. otherwise required by applicable law.

Additional requirement for emergency transfers that are the result of domestic violence, dating violence, or stalking:

- 1) Requests for vouchers to transfer to another unit that are the result of domestic violence, dating violence, or stalking will only be approved if they are accompanied by documentation substantiating the domestic violence, dating violence, or stalking.

Colorado Law. HCV Participants and Landlords are obligated to comply with State Laws that provide protection for victims of domestic violence. Specifically, C.R.S. § 38-12-402 and its revisions, if any.

SECTION 4
PARTICIPANT PROVISIONS

PARTICIPANT PROVISIONS

4.1 Privacy Rights

Participant information is confidential. Current and forwarding address information, and family members claimed in the household will be released to appropriate law enforcement agencies upon official verification of request.

At time of application, and at time of annual determination and interim examination, each participant will sign a Privacy Statement, acknowledging that all family status information is released to HUD, and that this information is shared with other governmental agencies.

4.3 Outstanding Amounts Due Other PHAs

If an applicant owes an outstanding balance to DHA or another PHA, the applicant will not be admitted to the Housing Choice Voucher programs until the balance is paid in full. If a participant is already receiving Housing Choice Voucher subsidy from DHA and it is discovered that the participant owes another PHA an outstanding balance, the participant must enter into a repayment agreement with the other PHA, and remain current on the repayment agreement, or he/she may be terminated from the program.

4.4 Issuance of Voucher

Each applicant shall be assigned his or her appropriate voucher in sequence, based upon preference, or lottery drawing, and date of receipt of the completed application. In the event that two or more applicants have the same preference, date of receipt of completed application will determine who is given the voucher first.

Identification is required of all household members. Photo identification is required for all family members over the age of eighteen (18). Acceptable identification includes: social security card, birth certificate, driver's license, city identification card, and/or state identification card.

Families will be briefed in accordance with the HUD regulations regarding the provisions of the Housing Choice Voucher program.

The Head of Household and any other adult family member is required to attend the family orientation. If a participant/applicant misses two scheduled orientation appointments, their assistance/application will be terminated/cancelled. Exceptions to the above include documentation of: reasonable accommodation, death, serious illness, natural disasters and other items outside of the applicant/participants control. Requests for accommodation must comply with the Accommodation in Housing Guidelines ("RAHG") and must be approved, in writing, by the 504 Coordinator. All other exceptions must be supported by written verification of incident, and approved by the Director Housing Choice Voucher Housing Choice Voucher Programs or his/her designee. A person whose application was cancelled may reapply for housing assistance when the Housing Choice Voucher lottery pool opens again.

DHA will provide a landlord/owner listing in the Orientation Packet. The Housing Choice Voucher office maintains a listing of available units in the Denver area that will accept Housing Choice Voucher participants. Each participant's Orientation Packet also contains a referral guide to various local agencies. The Housing Choice Voucher Department will also maintain a list of landlords offering accessible units which will be made available upon request. The Housing Choice Voucher Department will take appropriate steps to ensure effective communication with disabled applicants and participants, in compliance with DHA's Guidelines for the Provision of Alternative Forms of Communication for Individuals with Disabilities. In the event a Housing Choice Voucher participant believes they require an accommodation, the participant may request an accommodation in compliance with the Reasonable Accommodation in Housing Guidelines ("RAHG").

DHA encourages participants to seek units in non-poverty areas. DHA will explain during orientation the advantages of searching for a unit in a non-poverty area. A map is provided to each family showing these areas.

At the conclusion of all program orientation sessions, the family representative will be required to sign and date information (Orientation Attendance Confirmation) to confirm that all rules and pertinent regulations were explained to them.

4.5 Changes in Eligibility Prior to Effective Date of the Contract

Changes that occur during the period between issuance of a voucher and lease up may affect the family's eligibility or share of the rental payment.

4.6 Denial of Vouchers

See Section 3.7 of the Admissions And Continued Occupancy Terms And Policies ("ACOP") of the Housing Authority of the City and County of Denver.

4.7 Term of Voucher

The initial term of the voucher will be no less than 60 days and may be up to 120 days. Vouchers issued for 60 days may be approved for an extension, not to exceed a total of 120 days. All extensions must be requested in writing. Extensions beyond the maximum of 120 days will be granted only as a reasonable accommodation for persons with disabilities, which must be approved by the 504 Coordinator. The participant must follow the Reasonable Accommodation in Housing Guidelines. Upon the participant's request, Housing Choice Voucher will provide the Request for Accommodation forms to the participant.

4.8 Suspension of Voucher Term

When a request for tenancy approval and proposed lease is received by DHA, the term of the voucher will be suspended while DHA processes the request.

4.9 Expiration of Voucher Term

If an applicant family's voucher term or extension expires before the family has submitted a

request for tenancy approval, DHA may require the family to reapply for assistance. If a request for tenancy approval that was submitted prior to the expiration date of the voucher is subsequently disapproved by DHA (After the term has expired), the family may be required to reapply for assistance.

4.10 Issuance of New Vouchers When a Participant Moves

If a participant submits a moving notice to relocate to a new unit, the participant will be issued a new voucher to allow them no less than 60 days to find a new unit. Extensions and re-issues will apply as stated above.

4.11 Shopping Incentive

There is no shopping incentive for a family that rents a unit below the payment standard.

4.12 Maximum Initial Rent Burden

A family must not pay more than 40 percent of the family's Monthly Adjusted Income for rent when the family first receives Housing Choice Voucher tenant based assistance for a particular unit. This rule only applies for the initial lease term of a unit and does not apply to subsequent lease renewals for the same unit.

4.13 Minimum Rents

DHA has implemented a minimum tenant rent. This amount is currently \$50.00, as approved by the Board of Commissioners.

Families are subject to the minimum total tenant payment, but may still be entitled to a utility reimbursement if the utility allowance is greater than the total tenant payment.

Exceptions to the minimum rent will be granted on a case-by-case basis for financial hardship as solely determined by DHA. Hardship may include:

- 1) Family has lost eligibility or is awaiting eligibility for a Federal, State, or local assistance program.
- 2) The family would be evicted as a result of the minimum rent.
- 3) The family income has decreased because of changed circumstances including loss of employment.
- 4) Death of a family member.
- 5) Other DHA/HUD approved circumstances.

If a family requests an exemption, DHA will suspend the minimum rent beginning the month following receipt of the request.

If the hardship is determined to be temporary, DHA will not impose the minimum rent for 90 days from the request. At the end of 90 days, the minimum rent will be retroactively reinstated and the family will be required to sign a repayment agreement for back assistance owed.

If it is determined there is no hardship, the minimum rent will be reinstated retroactively to the date of the suspension and the family will be required to sign a repayment agreement for back assistance owed.

If it is determined there is a hardship, the family will be exempt from the minimum rent until the hardship no longer exists. The family is required to report any changes in income, per the Changes in Family Status Section of this Administrative Plan.

Also refer to Section 3.21: Admissions And Continued Occupancy Terms And Policies (“ACOP”).

4.14 Payment Standard Exception

Voucher holders may request a payment standard exception if the family includes a person with disabilities, to allow the family to rent a suitable unit. DHA can increase the payment standard up to 110 percent of the FMR. If the payment standard needs to be increased greater than 110 percent, DHA may grant a payment standard exception of up to 120 percent of the FMR by reasonable accommodation. DHA will submit the documentation supporting the need for such an accommodation to HUD. Requests for accommodation must comply with the Reasonable Accommodations in Housing Guidelines.

4.15 Income Disregard for Disabled Families

If targeted funding is provided, DHA will disregard for 24 consecutive months the:

- 1) Earned income of family members who were unemployed for a year or more and became employed;
- 2) Family member’s income whose employment income increases as a result of participation in a family self-sufficiency program or job training program; or
- 3) Family member’s income if they were receiving TANF benefits in the last six months and their income now have increased.

During the following 12 months, the family’s rent may be increased by 50% of the amount that it would have been increased without the disregard. Instead of the disregard, the family may ask DHA to set up an escrow account. The determination to implement the disregard or escrow account will be at the sole discretion of DHA. Elimination of a 48 month period was mandated by HUD, the 48 month period still applies to families who were granted EID prior to April 2016.

4.16 Determining Adjusted Income for Persons with Disabilities – Disallowance for Earned Income

DHA will disregard increases in annual earned income by persons with disabilities (as defined in 24 C.F.R. Section 5.403) receiving assistance under the Housing Choice Voucher Housing Choice Voucher Program whose:

- 1) Annual Income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment; or
- 2) Whose Annual Income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- 3) Whose Annual Income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for Temporary Assistance for Needy Families ("TANF") funded under Part A of Title IV of the Social Security Act, as determined by DHA in consultation with the local agencies administering TANF and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance provided that the total amount over a six-month period is at least \$500.

Initial twelve month exclusion: During the cumulative twelve month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in Annual Income attributable to employment, DHA will exclude from the Annual Income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.

Second twelve month exclusion: During the second cumulative twelve month period after the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in Annual Income attributable to employment, DHA will exclude from Annual Income of a qualified family 50% of any increase in income of such family member as a result of employment over income of that family member prior to the beginning of such employment.

Consecutive 24 month disallowance: The disallowance of increased income of an individual family member who is a person with disabilities is limited to a lifetime 24 consecutive months.

4.17 Changes in Household Status

The family is required to report in writing to the Housing Choice Voucher department all changes in household composition and income within ten (10) business days of the change. Failure to report said changes in ten (10) business days may result in termination from the Housing Choice Voucher programs.

Annual cost of living increases in public assistance benefits: Temporary Aid to Needy Families

("TANF"), Supplemental Security Income ("SSI"), Aid to Needy Disabled ("AND"), Social Security ("SS"), etc. will be verified at the time of the participant's annual re-examination. All income verifications are considered invalid if they are more than 60 days old.

At any time, DHA may conduct a re-determination of family income and composition.

At any time, a family may request a re-determination of income or family composition because of any changes since the last determination.

If a participant's rent is increased due to unreported income, the increase will be considered effective retroactive to the date of the increase in income and repayment of overpaid housing assistance will be required, regardless of the date the change is entered and a new Contract Change Clause is mailed. If the participant's rent is decreased due to unreported change in income, the decrease will be effective the first of the month after completion of the re-determination.

Participants must report decreases in income prior to the 1st of the following month. If the required documentation is not turned in as requested in a timely manner, the effective date of the decrease may be delayed.

When the participant reports an increase in income, a re-determination may be completed.

4.18 Adding and Deleting Family Members

The addition of family members to the household must be approved by DHA and must meet the family eligibility requirements as defined in Section 1.21 of this plan.

A Participant may also request in writing to add a blood-relative who is elderly or disabled and has a physician's statement that documents the need for care from the family. The family must provide all required information for the person requesting to be added to the household. This information includes, but is not limited to, social security number, income information, etc. The family must submit written approval from the landlord to add an adult to the lease and may not cause overcrowding.

If the family wishes to remove any member(s) from the household, acknowledgement from the landlord stating he/she is aware that member is no longer living in the unit as well as any available documentation of the former household members' whereabouts.

If there is a change in family unit size resulting from a change in family size or composition, the change will be effective either at the time of the family's annual re-examination or when the family moves, whichever is sooner.

If the family is responsible for delays in completing an interim, DHA may terminate assistance, or make retroactive the effective date for changes due to late reporting.

DHA may deny a request for an interim predicated on a reduction in participant income from welfare after obtaining written verification from the welfare agency that the family's benefits have

been reduced because of:

- 1) non-compliance with economic self-sufficiency program;
- 2) failure to comply with work activities requirements; or
- 3) fraud

This does not apply if the welfare reduction is the result of the expiration of a lifetime limit on receiving benefits, where the family has complied with welfare program requirements but cannot obtain employment. This provision is subject to the Housing Choice Voucher informal hearing procedure.

Written notice to the family will be provided if such a request is denied.

4.19 Head of Household Designation

When there are two adults in the household, the family must designate who the Head of Household shall be. This designation is evidenced by signatures on the lease or housing choice voucher.

4.20 Definition of Family

See Section 1.20: Admissions And Continued Occupancy Terms And Policies (“ACOP”) of the Housing Authority of the City and County of Denver.

4.21 Definition of Members of the Family

For the purposes of denial and termination of assistance, the definition of members of the family may include any unauthorized family member, and/or guest. Also refer to Section 1.35: Admissions And Continued Occupancy Terms And Policies (“ACOP”) of the Housing Authority of the City and County of Denver.

4.22 Family Absence from the Unit

Absence from the unit is defined as no family member residing in the unit. The family must notify the Landlord and DHA in writing and must be in accordance with the lease. The family may not be absent from the unit for a period of more than 180 consecutive days in any circumstances or for any reason. If the family is absent from the unit for more than 180 days, the family will be terminated from the program. In cases where notification was not provided, for absences of more than 60 days, assistance payments may be terminated and the family is responsible for the full contract rent. In the case where no assistance has been paid for 180 days, the assistance contract will be terminated automatically.

4.23 Family Break Up

If an assisted family breaks up (divorce, etc.) the family member with legal custody of any dependents will remain in the program. The other family member will be removed from the program. In the event there are no dependents, or both adults have legal custody, DHA has the discretion to determine which family members will continue to receive assistance in the program.

DHA will consider the following factors:

- 1) The interest of minor children or of ill, elderly or disabled family members
- 2) Other relevant factors

When a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, DHA will be bound by the court's determination of which family members continue to receive assistance in the program.

All cases of family break up must be documented and verified. Acceptable documents include: separation papers, divorce papers, abandonment papers, notarized statement from member leaving that they are doing so and forgoing any right to the Housing Choice Voucher assistance.

4.24 Zero Income or Unstable Income

Participants with unstable income or zero income may be required to report their income status monthly to the Housing Choice Voucher Department. The participant must report and state what their current income is and the source of income.

4.25 Annual Re-Examination

A participant's Annual Eligibility Review is based on the effective date of the participant's last re-examination. DHA may require re-examinations more frequently when the family has seasonal or irregular income, or for other reasons deemed reasonable by DHA staff.

Families will be sent one application notice asking for preliminary information needed for the re-examination. If the family does not provide the requested information within the specified time frame, the family may be terminated from the program. Follow up requests may be made of the family to provide additional information needed to complete the re-examination. This follow up information must be provided within the specified time frame, or the family may be terminated from the program.

If the participant brings in the required re-examination paperwork before the effective date of their termination for failure to provide requested documents, the participant may be reinstated to the program. Decisions to reinstate participants for this reason will be made by the Program Manager.

If a family is responsible for delays in completing the annual re-examination or interim examination, DHA may terminate assistance, or make retroactive the effective date for changes due to late re-examinations.

4.26 Verification of Statements and Income

All reported family annual income, the value of assets, expenses related to deductions from annual income and other factors that affect the determination of adjusted income will be verified by DHA. Income that is fully excluded (i.e. SNAP, live-in aide income) will not be verified, nor be documented in the tenant file as to why third party verification was not done, neither reported on form HUD-50058. HCV will accept the participant self-certification (reported) of fully excluded income as verification.

Verification of family composition will be satisfied by submitting birth certificates from the Bureau of Vital Statistics for all children in the family or legal child custody documents including a notarized written designation of the parent or other person having legal custody of the child pursuant to C.R.S 15-14-105.

When a participant reports Annual Income that appears to be less than adequate for the family's needs the family will be required to complete a zero income questionnaire to prevent omission errors, fraud or under reported income.

Verification obtained at re-examination must be no more than 60 days old on either the effective date of the re-examination or the date of request from DHA.

Participant files will contain documentation of all verifications.

- 1) Participant must furnish information on income, assets, and allowances of all household members and provide authorization for DHA to obtain verification from a third party of all statements regarding income, assets, and allowances.
- 2) Methods of verification and age of data

All income, assets, and each applicable deduction or exemption will be verified prior to admission and at each subsequent re-examination or re-determination.

The DHA will verify information through the following methods of verification acceptable to HUD in the following order:

- (a) Enterprise Income Verification (EIV) system
- (b) Upfront Income Verification (UIV) using non-HUD system
- (c) Written Third-party verification
- (d) Written Third-party verification form
- (e) Oral Third Party verification
- (f) Self-certification/self-declaration

I. Enterprise Income Verification

The Housing Choice Voucher department will use HUD's mandatory and highest income verification system EIV for program participants. The EIV system provides a single source of income-related data to DHA and HUD for use in verifying the income reported by families participating in the various HCV programs. The Office of Public and Indian Housing (PIH) is responsible for administering and maintain the EIV system. The EIV system assists in the upfront verification of family income by comparing the family income data obtained from various sources such as:

Family - supplied income data captured on Form HUD-50058 – Family Report and maintained in the Public Housing Information Center (PIC) database;

Department of Health and Human Services' National Directory of New Hires Data (NDNH)

Social Security and Supplemental Security Income from the Social Security Administration; and,

User profile information from PIC database.

II. Use Up-Front Income Verification

The next level of income verification is Upfront Income Verification (using non-HUD systems). UIV systems are an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals. UIV system includes but is not limited to agencies such as The Work Number (an automated verification system) and state government databases, to validate tenant-reported income. Use of UIV with non-HUD systems is voluntary and DHA will attempt other forms of verification, such as Third-Party Written Verification when possible.

III. Third-Party Written Verification

Third-party written verification is defined as an original or authentic document generated by a third party source dated either within the 60-day period preceding the reexamination/voucher issuance for applicants or HCV request date. Such documentation may be in the possession of the family (or applicant). DHA management may reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information if the legitimacy of the documentation. Examples of acceptable participant-provided documentation include, but are not limited to: Pay stubs, payroll summary report, employer notice/letter of hire/termination, SSA benefit verification letter, bank statements, child support payment stubs, welfare benefit letters and/or printouts and unemployment monetary benefit notices. Verifications received electronically directly from the source are also considered third-party written verifications.

All such documents, excluding government checks, will be photocopied and retained in the family file. When documents cannot be photocopied, staff viewing the documents will complete a Certification of Document Viewed or Person Contacted form.

It is required to obtain two current and consecutive pay stubs for determining annual income from wages. For new income sources or when two pay stubs are not available, DHA will project income based on the information received from traditional written third party verification form or the best available information.

At least one attempt to obtain third-party verification will be made before relying on another method. DHA has the discretion to reject participant-provided documentation and follow up directly with the source to obtain verification of information. If third-

party written verification is not used, the PHA will document the reasons in the file.

Documents that are older than 60 days (from the interview/determination or request date) are acceptable for confirming the effective date of the income.

IV. Third-Party Written Verification Form

Third-party written verification (traditional third party verification) form is defined as a standardized form to collect information from a third party source. This form is mandatory if documents provided by applicants or participants are not available or are rejected by DHA. Staff must mail, fax or e-mail the form directly to the source. If original form is mailed back to DHA, no additional verification is needed.

However, if the form is a photocopy or was faxed to DHA, staff must call to verify information. Notes regarding the telephone conversation must be clearly written on the statement. If the Third-Party Written Verification form is provided by the family, it will be accepted unless otherwise rejected by management for cause.

V. Third-Party Oral Verification

Third-party oral verification will be used when third-party written verification is delayed (ten (10) business days) or impossible. When third-party oral verification is used, staff will be required to complete a Verification of Document Viewed or Person Contacted form, noting with whom they spoke, the date of the conversation, and the facts provided. If third-party oral verification is provided by telephone, DHA must originate the call. If third-party verification is not available, the DHA will proceed to the Self-Declaration of income method.

VI. Self-Certification/Self-Declaration

As a last resort, when information cannot be verified families will be required to submit a self-certification form. Self-certification means a statement signed certifying the stated information is true and complete. DHA will allow ten (10) business days for a family to provide a self-certification or self-declaration if other forms of verification are impossible to obtain. DHA will document in the file why third party verification was not available.

In the event DHA is unable to verify the income or expenses reported by the family, the participant file must clearly show all attempts to verify and obtain income information and why the verification was unavailable. In cases when the impact on total tenant payment is minimal, management may authorize the processing of income based on family reported income. This applies when all HUD guided verification levels have been exhausted.

4.27 Verification of Assets

1) Family Assets

DHA will utilize the current balance for savings accounts and the average two-month

balance for checking accounts. DHA will require the information necessary to determine the current cash value of a family's assets (the net amount the family would receive if the asset were converted to cash). Assets valued at less than \$5000 will be verified every 3 years.

To document the existence of an asset, acceptable verification may include:

- (a) Verification forms, letters, or documents provided directly by a financial institution or broker

If third-party verification is not available, any of the following may be accepted:

- (a) Passbooks, checking account statements, certificates of deposit, bonds, or financial statements supplied by a family if completed by a financial institution or broker
- (b) Estimates by a stockbroker or real estate agent of the net amount a family would receive if it liquidated securities or real estate
- (c) Real estate tax statements if the approximate current market value can be deduced from them
- (d) If current market value of real estate cannot be deduced from tax statements, DHA will use the sales comparison approach, using websites such as Zillow.com or Multiple Listing Service (MLS) to find at least three (3) comparable properties and average their values
- (e) Financial statements for business assets
- (f) Copies of closing documents showing selling price and distribution of sales proceeds
- (g) Appraisals of personal property held as an investment
- (h) A family's self-certification describing assets or cash held at the family's home or in safe-deposit boxes

Assets Disposed of for Less Than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Re-certification

At admissions and re-examinations DHA will obtain each family's certification that it has or has not disposed of assets with a value of \$5,000 or more for less than fair market value during the two years preceding the effective date of the admission or re-certification.

At re-examination, DHA will obtain each family's certification of assets, via the Personal Declaration, that the family is required to sign.

If the family certifies that it has disposed of assets for less than fair market value, the certification must show: (a) all assets disposed of for less than fair market value, (b) the date they were disposed of, (c) the amount the family received for each asset, and (d) the market value of each asset at the time of disposition. Third-party verification will be obtained whenever possible.

4.28 Income from Assets

- 1) Savings or Checking Account Interest and Dividend Income
Acceptable methods of verification include, in this order:
 - (a) DHA verification forms filled out or other statements supplied by the financial institution or, if these are not available, account statements, passbooks, or certificate of deposit statements supplied by the family.
 - (b) Broker statements showing the value of stocks or bonds and the earnings credited to the family (Earnings can also be obtained from current newspaper quotations or orally from brokers.)
 - (c) IRS Form 1099 from a financial institution provided that DHA adjusts the information to project earnings expected for the next 12 months.
- 2) Interest Income from Mortgages and Similar Arrangements
Acceptable methods of verification include, in this order:
 - (a) A letter received directly from an accountant, attorney, real estate broker, the buyer, or a financial institution stating the interest due for the next 12 months (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
 - (b) An amortization schedule showing interest for the 12 months following the effective date of certification or re-certification.
- 3) Net Rental Income from Property Owned by Family
Acceptable methods of verification include, in this order:
 - (a) IRS Form 1040 with Schedule E (Rental Income)
 - (b) Copies of latest rent receipts, leases, or other documentation of rent amounts
 - (c) Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense
 - (d) Lessee's written statement verifying rent payments to the family and the family's self-certification of net income realized.

DHA will require additional information prior to determining eligibility such as, but not limited to:

- (a) Colorado Bureau of Investigations ("CBI") reports.

4.29 Under-housed or Over-housed Participants

DHA will upgrade a family's voucher to the appropriate bedroom size, at the time of annual re-examination or at the time of a move, if the family is under-housed, based upon availability of vouchers.

Participants who are over-housed will be required to relinquish their over-housed voucher and will be issued a voucher in the appropriate bedroom size at the time of re-examination or move. Failure on behalf of the family to report an over-housed situation may result in repayment of the excess subsidized rent and/or termination from the program.

4.30 Family Moves

The family must notify the landlord and DHA, in writing, of its intent to move in accordance with the landlord's lease. The family's annual re-certification date does not change when the family moves.

If the family is in the middle of a lease term, the family may only move in the event the lease is terminated by mutual agreement between the family and the owner after the initial lease term. Otherwise, the family will risk termination for vacating without giving proper notice. The family may request a voucher to move as a reasonable (medical) accommodation. If a unit fails due to Housing Quality Standards and deficiencies are not corrected by the owner (as required), a participant will be issued a voucher to move. If a unit is foreclosed and the new owner is not willing to continue the contract with DHA, the participant will be issued a voucher to move. Consideration will be given on a case-by-case basis.

4.31 Housing Authority May Deny Permission to Move

At any time, DHA may deny permission to move due to the following:

- 1) If a family moves without prior notice to DHA and the owner, DHA may deny the family the right to move into a new unit with continued assistance.
- 2) If the family has moved within the past 12 months (Housing Choice Voucher participants are only allowed to move once in a 12 month period).
- 3) If the family has not reimbursed a PHA for any amounts paid to a landlord/owner under a HAP Contract.
- 4) If the family breaches an agreement with a PHA to pay amounts owed to a PHA.
- 5) If the family does not allow DHA and landlord/owner to inspect/repair the unit at reasonable times and after reasonable notice.
- 6) If the family is responsible for an HQS breach caused by the family.
- 7) If the family commits any serious or repeated violations of the lease, including drug-related criminal, violent criminal activity, or other criminal activity whether violent or not. The family must promptly give DHA a copy of any landlord/owner eviction notice.
- 8) DHA may deny the family the right to move to a new unit with continued assistance and terminate the family if a family member commits any serious or repeated violations of the lease, drug-related or violent criminal activity, or other criminal

activity that threatens the health, safety, or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

- 9) If the family owes a PHA money for any reason.
- 10) If DHA does not have sufficient funding for continued assistance or is required to reduce administrative cost by denying voluntary moves within and outside of DHA's jurisdiction that will increase cost to DHA

If a family is denied a voluntary move, the family will be informed in writing of the denial. As permitted by HUD, families will be permitted to move at a later date as funding is available or projected to be available.

- 11) Any other HUD allowed reason
- 12) If the family has vacated its assisted unit and DHA denies the family the right to move into a new unit with continued assistance, the family will be issued a termination notice and given the opportunity for an informal grievance hearing to dispute the termination. Notice will be sent to the most recent address provided by the family.

4.32 Live-In-Aide

A family may request that DHA approve a Live-In-Aide to reside in the unit and provide necessary supportive services. Before adding a Live-In-Aide, the head of household must request an accommodation, in accordance with DHA's Reasonable Accommodation in Housing Guidelines, and the request must be approved in writing by the 504 Coordinator, prior to the addition of a Live-In-Aide to the lease. The landlord of the unit must provide written approval of the Live-In-Aide being a tenant in the unit. A criminal background check will be conducted by DHA. A Live-In-Aide does not qualify as a Remaining Family Member. At any time, DHA may refuse to approve a particular person as a Live-In-Aide, or may withdraw such approval if:

- 1) The person commits fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.
- 2) The person commits any drug-related criminal activity or violent criminal activity in accordance with DHA's admission policy.
- 3) The person currently owes rent or other amounts to DHA or another PHA in connection with Housing Choice Voucher or Public Housing assistance.
- 4) The person is subject to a lifetime registration requirement under a state sex offender registration program.

The Live-In-Aide is added to the Housing Choice Voucher lease, and noted as a Live-In-Aide. The Live-In-Aide is also noted as such on the HAP contract.

Continuously Assisted

A family is “continuously assisted” if the family is already receiving assistance under any provision of the 1937 Housing Act when the family is admitted to the Housing Choice Voucher, Project Based Housing Choice Voucher, or Moderate Rehabilitation program.

4.33 Request for Tenancy Approval Limitation

The participant is allowed to submit one Request for Tenancy Approval (RFTA) at a time. The participant may only submit another RFTA if the previously submitted RFTA is voided.

A RFTA will be denied if it is not completed by both the landlord/owner and the participant. It will be denied if it is not in DHA’s legal jurisdiction, is over the Fair Market Rent/Payment Standard, does not meet rent reasonableness or exceeds the 40% limitation, or for any other DHA determined reason.

Reasons for denials will be communicated to the participant and the landlord/owner promptly.

The RFTA must be submitted during the term of the voucher.

The initial lease period must be for one year.

4.34 Relocation of Witnesses and Victims of Crime

HUD is directed to provide Housing Choice Voucher assistance for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing. DHA will accept written referrals from HUD.

All referred applicants must meet Housing Choice Voucher eligibility criteria before admission to the program.

4.35 Victims of Domestic Violence

An incident or incidents of actual or threatened domestic violence, dating violence or stalking will not be construed as a serious or repeated lease violation by the victim or threatened victim and shall not be good cause for terminating the assistance, tenancy or occupancy rights of the victim.

Criminal activity directly related to domestic violence, dating violence or stalking engaged by a member of the household, guest or other person under the tenant’s control shall not be cause for termination of assistance, tenancy or occupancy rights of the tenant if the tenant or an immediate family member is the victim or threatened victim.

An owner or manager may bifurcate a lease in order to evict, remove or terminate assistance to any individual who is a tenant or lawful occupant and who engages in physical violence, without

evicting, removing or terminating assistance to or otherwise penalizing the victim who is a tenant or lawful occupant.

Nothing in the amendments limits the ability of an owner or manager to evict, or a public housing agency to terminate assistance to a tenant for any violation not premised on acts of violence against the tenant or members of the tenant's household. A victim of such violence may not be held to a more demanding standard than other tenants.

Nothing in the amendments limits the ability of an owner or manager to evict, or a public housing agency to terminate assistance to, any tenant or lawful occupant if it can be demonstrated that the tenant or lawful occupant presents an imminent or actual danger to other tenants or employees of the property.

The family of a victim of domestic violence may receive a voucher and move to another jurisdiction under the voucher program if the family has complied with all other program obligations, and has moved out to protect the health and safety of an individual who is or has been the victim of domestic violence, dating violence or stalking and who believes they are in imminent danger of harm.

DHA shall request that the individual certify via a HUD approved certification form that the individual is a victim of domestic violence, dating violence or stalking

4.36 Criminal/Credit Checks

DHA may, at any time, obtain a criminal history and/or credit check for any member of a participant household for the purpose of determining whether an individual meets DHA's standards for continued participation in the program. Background checks and terminations based thereon may occur after admission to the program.

4.37 Terminations

The participant may be terminated from the program for the following reasons, which include, but are not limited to:

- 1) Any violation of the family obligations by any member of the family. (See definition of Members of the Family and Participant Provisions.)
- 2) DHA may terminate assistance for drug-related or violent criminal activity, or other criminal activity engaged in whether violent or not, on, near or away from the premises by any participant, participant's member of the family, and/or guest, and any such activity engaged in, on, near or away from the premises by any other person under the participant's control.
- 3) Lease violations by any family member.
- 4) Eviction from the program for serious lease violations.

- 5) Eviction from public housing by any family member.
- 6) Illegal use of a controlled substance by any family member.
- 7) Current criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises, or threatens the health or safety of persons away from the premises.
- 8) Current criminal activity which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of DHA.
- 9) Alcohol abuse by any family member.
- 10) Termination from a Housing Choice Voucher assistance program by any family member.
- 11) Failure to sign consent forms.
- 12) Actual or threatened abusive or violent behavior toward DHA personnel by any family member.
- 13) Damages to the unit caused by any family member. DHA will consider an established pattern of continued damages to all subsidized units.
- 14) If any family member is subject to a lifetime registration requirement under a state sex offender registration program.
- 15) If any family member has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- 16) If any family member is convicted of manufacturing or producing methamphetamine on the premises of any federally assisted housing site, including common areas and grounds.
- 17) If a family participating in the Family Self Sufficiency ("FSS") Program fails to comply, without good cause, with the family's FSS Contract of Participation.
- 18) If the family currently owes rent or other amounts to DHA or to another PHA in connection with Housing Choice Voucher or public housing assistance under the 1937 Act.
- 19) If the family has not reimbursed any PHA for amounts paid to a landlord/owner under a HAP Contract for rent, damages to the unit, or other amounts owed by the

family under the lease.

- 20) If the family fails to fulfill its obligations under the Housing Choice Voucher Welfare to Work Voucher Program.
- 21) If the family breaches an agreement with a PHA to pay amounts owed to a PHA, for amounts paid to a landlord/owner by a PHA. (The PHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a PHA or amounts paid to an owner by a PHA. The PHA may prescribe the terms of the agreement.)
- 22) A family member does not establish citizenship or eligible immigration status.
- 23) If applicant has been convicted of a crime involving unlawful sexual behavior, or any person classified as a sexually violent predator, who is required to register with a local law enforcement agency in which he/she resides in accordance with Section 18-3-412.5, C.R.S.
- 24) Violent criminal activity shall include, but not be limited to any illegal criminal activity that has as one of its elements: attempted use or threatened use of physical force against the person or property of another.
- 25) Any other HUD allowed reason.

DHA may consider all of the circumstances in each case in deciding to terminate assistance.

DHA may impose, as a condition of continued assistance for other family members, a requirement that the family members who participated in or were culpable for the action or failure to act, will not reside in the unit.

4.38 Drug-Related, Violent Criminal Activities, and Other Criminal Activities

Housing Choice Voucher participants who have been evicted, pursuant to court action, from a unit for drug-related or violent criminal or other criminal activities may be terminated from the Housing Choice Voucher program. If a Housing Choice Voucher participant or a member of a participant family has engaged in or was recently convicted of: 1) drug related criminal activity; 2) violent criminal activity; 3) other criminal activity which may threaten the health, safety or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity, or threatens the health and safety of persons away from the premises; or 4) other criminal activity which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of DHA while participating in the program, the participant will be terminated. If the landlord is issued a Public Nuisance Abatement order for a family for drug-related, violent criminal activities, or other criminal activities, the family may be terminated. If DHA determines, after initial occupancy, that the participant or a member of the participant's family (whether authorized or unauthorized to include guest), has engaged in drug-related, violent criminal activities, or other criminal activities and either did not

report the incident or conviction, or it was not uncovered at the time of application and admission to the program, the participant will be terminated if sufficient evidence has been obtained by DHA.

4.39 Drug/Alcohol Dependence

Notwithstanding any other provision of the law, no individual shall be considered a person with disabilities for purposes of eligibility for low-income housing solely on the basis of any drug or alcohol dependence.

4.40 Family No Longer Requires Assistance

As a family's income increases, the amount of the PHA subsidy goes down. If the amount of the Housing Choice Voucher assistance provided by PHA drops to zero and remains at zero for 180 consecutive calendar days, the family's assistance terminates automatically.

DHA's policy: If a participating family receiving zero assistance experiences a change in circumstances that would cause the HAP payment to rise above zero, the family must notify DHA of the changed circumstances and request an interim re-examination before the expiration of the 180-day period.

4.41 Death of Head of Household

In the event of the death of the head of household, if there are any remaining family members age 18 or older (except a live-in aide) they will become the new head of household. If there is more than one remaining family member eligible, the family must decide who will be designated head of household and indicate to DHA in writing who it will be.

If the remaining family members are under the age of 18, DHA will allow a temporary guardian to be added to the household to care of the family until a court-appointed guardian can be added. DHA will work with Colorado Department of Human Services to ensure the interests of the minors are protected.

SECTION 5
LANDLORD/OWNER PROVISIONS

LANDLORD/OWNER PROVISIONS

5.1 Privacy Rights

To the extent permitted by law, landlord/owner information regarding participation in Housing Choice Voucher programs will be kept confidential.

5.2 Outreach

DHA solicits landlord/owner participation through advertisements in local community newspapers, neighborhood associations, apartment and housing service agencies, and disability organizations specifically targeted in non-poverty areas. In addition, a Landlord Open House are available to encourage participation by landlords and owners outside of poverty areas.

Landlords/owners are also solicited through briefings. As appropriate, DHA may also provide incentives to encourage landlord/owner participation. Landlord trainings will be offered on a monthly basis.

5.3 Security Deposits

Landlords/owners set their own security deposit. It must be a reasonable amount, and comparable to deposits for similar units.

5.4 Family Suitability for Tenancy

DHA has no liability or responsibility to the landlord/owner or other persons for the family's behavior or conduct in tenancy.

The landlord/owner selects the tenant and is responsible for tenant screening. The landlord/owner decides whether the family is suitable for tenancy. DHA's decision whether to admit an applicant to the program is not based on an applicant's suitability for tenancy. DHA has not screened the participant's behavior or suitability for tenancy, such screening is the responsibility of the landlord/owner. The landlord/owner should contact DHA for the family's current and past landlord/owner history.

At the landlord's/owner's request, DHA will provide the landlord/owner the following information on potential participants or applicants:

- 1) Participant's current and previous address.
- 2) Participant's current and previous landlord/owner name and address.
- 3) Amount of damage claim(s) filed against the participant.
- 4) Other information in DHA's possession including information about the tenancy history of family members.

If DHA was a past landlord of the participant or has knowledge of a participant's past tenancy, DHA will provide the potential landlord/owner a reference of that participant's tenancy. DHA strongly encourages landlords/owners to contact DHA for reference information and to conduct tenant screening, and includes statements to this effect to the landlord/owner on and with the RFTA.

5.5 Landlord/Owner Certification of Rents

By accepting monthly HAP from DHA, the landlord/owner certifies that the rent to landlord/owner is not more than the rent charged by the landlord/owner for comparable unassisted units on the premises. The landlord/owner must give DHA information (if requested by DHA) on rents charged by the landlord/owner for other units on the premises or elsewhere. The initial lease must be for 12 months, except for VASH vouchers, which may be 6 months.

5.6 Execution of Contracts

DHA is not responsible for any part of the rent prior to the date the unit passes the inspection or prior to the execution of the HAP Contract.

After the unit passes a Housing Quality Standards (HQS) inspection, the lease between the landlord/owner and participant is signed and dated by both parties. The HAP Contract is signed and dated by the landlord/owner. The HAP Contract is subsequently executed on behalf of DHA by the Housing Choice Voucher Program Manager if all required paperwork is properly completed. A copy of the contract is then mailed to the landlord/owner. Prior to the execution of the HAP Contract, the landlord/owner must inform DHA and the family of any knowledge of the presence of lead based paint on the surfaces of the residential unit.

The HAP Contract is not effective until the unit has passed HQS and the lease is effective. The lease is not effective until it is signed by both the landlord/owner and the participant, and the participant is eligible to enter into a lease. The effective date of the lease cannot be a date before the date the lease is signed by both the landlord/owner and the participant.

The landlord/owner must provide DHA the proposed rent, what utilities are included in the rent, and the taxpayer ID number on a Form W9. If the landlord/owner submits an incomplete or inaccurate RFTA, or a Form W-9, DHA will not execute the HAP Contract until the form(s) are corrected. If the IRS subsequently notifies DHA that the W-9 is incorrect, the HAP may be withheld until a corrected W-9 is received.

The HAP contract must be executed no later than 60 days from the beginning of the lease term. If a HAP Contract has not been executed by Housing Choice Voucher within the 60-day time limit, the HAP Contract will be voided. New leases and contracts must be executed. DHA cannot pay any HAP to the landlord/owner until the HAP Contract has been executed.

5.7 Separate Agreements

The following types of landlord/participant separate agreements are acceptable: agreement for parking, furniture and/or appliances, reasonable late charges, pets and pet deposits, community rules, covenants, or agreement to pay security deposit in installment payments. Separate agreements must be attached to the Residential Lease as a Lease Addendum. A copy of the Lease Addendum indicating the separate agreement(s) must be provided by the landlord/owner to the Housing Choice Voucher office.

The following types of landlord/participant separate agreements are **not acceptable**: agreements for altered security deposit, altered rent amounts, excess utilities. The lease may not require the family to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy. The landlord/owner may not charge the family extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants on the premises.

If it is determined that a landlord/owner and participant are participating in a separate agreement that is not acceptable to the Housing Choice Voucher program, the participant will be terminated from the program and the landlord/owner will be banned from the program. The participant may request an informal hearing regarding the termination.

5.8 Evictions

Evictions may be conducted only by a landlord/owner and in accordance with State and local laws. Landlords/owners must give written notice to DHA of any such legal actions.

Landlords/owners are required to provide the Housing Choice Voucher office copies of all court action papers regarding Housing Choice Voucher participants.

Landlord/owner termination of tenant:

- 1) Landlords/owners must give the tenant a written notice that specifies the grounds for termination of tenancy. The notice of grounds must be given at or before commencement of the eviction action. The landlord/owner must comply with State laws regarding legal notices to the Participant.
- 2) Landlords/owners must give DHA a copy of any landlord/owner eviction notice to the tenant. An eviction notice is a notice to vacate, a complaint, or other initial pleading used under state or local law to commence an eviction action.
- 3) Landlords/owners may only evict the Participant from the unit by instituting a court action.

Not grounds for termination of tenancy:

- 1) DHA's failure to pay the HAP to the landlord/owner is not a violation of the lease between the tenant and the landlord/owner. During the term of the lease the landlord/owner may not terminate the tenancy of the family for non-payment of the HAP.

If the landlord/owner initiates an eviction action in accordance with the lease, and follows all pertinent laws and files all pertinent actions, supplies the Housing Choice Voucher office with copies of all pertinent legal documents; the landlord/owner is entitled to a HAP until the participant voluntarily moves or is evicted.

5.9 Terminations

The landlord/owner may terminate the lease for lease violations at any time. The landlord/owner may terminate the lease for any other reason at any time after the initial lease term. The landlord/owner must follow State and local laws in giving termination notice to the family, and must provide DHA a copy of the termination notice immediately.

5.10 Landlord/Owner Payments

HAP will be withheld if the unit fails to meet HQS. HAP will also be withheld if the landlord/owner has instituted eviction or other court action, the ownership of the unit has changed, the ownership is in question, the tenant gives notice to vacate, or any other reason that DHA determines that the HAP Contract has been breached.

If a landlord/owner is in the eviction process, the landlord/owner must notify Housing Choice Voucher before the third week of each month if the tenant is still in the unit, so that the HAP can be released.

5.11 Landlord/Owner Rent Increases

The landlord/owner cannot request a rent increase during the initial term of the lease. After the first term, the landlord/owner may request a rent increase in accordance with the landlord/owner lease and in accordance with local and state laws. If re-signing a new 6 month lease for a VASH voucher, the landlord/owner may not request an increase in contract rent in the first twelve months of residency. All units will be tested for rent reasonableness at the time of the rent increase. For Mod Rehab, rent increases may not exceed the Annual Adjustment Factor ("AAF") published by HUD. HUD Regulations regarding Special Adjustments will be utilized in those instances where the rent increase exceeds AAF.

By making the rent increase request, the landlord/owner acknowledges that during the initial term of the lease, the landlord/owner has complied with all requirements of the HAP Contract, including HQS. The landlord/owner must notify the participant and DHA no later than 60 days prior to the effective date of the rent increase. The landlord/owner must send written notification to the participant and to DHA. The rent increase will be made effective on the first of the month following 60 days' notice to the participant and DHA. The rent reasonableness

will apply at the time of the request.

5.12 Landlord/Owner Maintenance Responsibilities

The landlord/owner is responsible for maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.

5.13 Disqualification of Landlord/Owner from Program

If a landlord/owner violates any obligation under any HAP Contract, commits fraud, or makes any false statements to DHA in connection with any Federal housing program, or has engaged in drug related criminal activity or violent criminal activity, the landlord/owner may be disqualified from participating in the program, and if already participating, may be terminated indefinitely from the program and may have all current HAP Contracts cancelled.

In addition, the landlord/owner may be terminated or disqualified from the program if the landlord/owner has a history or practice of failing to terminate the tenancy of Housing Choice Voucher families or other federally assisted families if any member of the household, a guest, or another person under the control of any member of the household:

- 1) Threatens the right to peaceful enjoyment of the premises by other residents.
- 2) Threatens the health and safety of other residents, employees of DHA, landlord/owner employees, or management.
- 3) Threatens the health and safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises.
- 4) Has engaged in drug related criminal activity or violent criminal activity.
- 5) Has allowed unauthorized persons to live in the unit.

5.14 Penalties for Late HAP Payment

DHA must pay the HAP promptly when due the landlord/owner. The HAP contract sets forth the circumstances pursuant to which DHA will be obligated to pay the landlord/owner a penalty for late HAP payment.

SECTION 6
PARTICIPANT/LANDLORD PROVISIONS

PARTICIPANT/LANDLORD PROVISIONS

6.1 Leasing

The landlord/owner must submit his/her lease to the Housing Choice Voucher Department for approval. The lease form must be in the standard form used in the locality by the landlord/owner. It must contain terms that are consistent with State and local laws that generally apply to unassisted tenants in the same property. The lease must specify what utilities and appliances are to be supplied by the landlord/owner and what utilities and appliances are to be supplied by the family.

The family must have legal capacity to enter into a lease under State and local laws. If a family cannot enter into a lease during the term of their voucher, they will be terminated from the program.

Once the lease is approved for Housing Choice Voucher use, the landlord/owner must attach the HUD Lease Addendum to the lease. Any revisions or new leases must be approved by the Housing Choice Voucher Department prior to execution with a Housing Choice Voucher participant.

Prior to admission, the landlord/owner lease and HUD Lease Addendum shall be signed by the Head of Household and the landlord/owner. The Lease is to be current at all times and must be compatible with DHA policies, as well as Federal, State and local laws.

The address on the signed lease must be the Participants only address. DHA will not mail HCV Participants notices to a P.O. Box. DHA will send all notices to the address for which HCV Participant receives Housing Assistance Payments (HAP) Exceptions to this policy will be made only for Health and Safety issues, VAWA requests, or as a reasonable accommodation as outlined in DHA's RAHH.

Direct Deposit of the Housing Assistance Payments is mandatory for all new Contracts effective August 1, 2011. DHA will charge a reasonable fee for replacement checks. These fees can be changed at the discretion of DHA.

6.2 HAP Contract Term

The term of the HAP Contract begins on the first day of the lease term and ends on the last day of the lease term.

The lease term is effective when 1) the unit has passed HQS, and 2) the lease has been signed by both the landlord/owner and family.

6.3 Termination of HAP Contracts

When DHA terminates a HAP Contract, the landlord/owner and the family will be notified in writing.

The HAP Contract terminates at the end of the calendar month that follows the calendar month

in which DHA gives such notice to the owner.

Automatic termination of the HAP Contract results when:

- 1) A family vacates the unit either in violation of the lease or by mutual agreement with the landlord/owner before termination of the lease/contract, or
- 2) The lease is terminated by the landlord/owner or the family; or
- 3) The landlord/owner will not renew the HAP Contract or extend the current lease,
- 4) The sole participant dies, or
- 5) There has been no HAP for 180 days, or
- 6) DHA terminates assistance for the family.

DHA will give written notice of termination in the following situations:

- If a unit has HQS violations and the landlord/owner fails to correct deficiencies;
- The family has paid contract rent for six (6) months after a re-examination, which determined the family's share equaled the contract rent; or
- Any reason stated under Participant Terminations in this document; or
- The landlord/owner violates the terms of the HAP Contract, or the family violates the terms of the Participant Obligations, Housing Voucher, or Statement of Family Responsibilities.

6.4 Negotiating Rent to Landlord/Owner

The landlord/owner and the family negotiate the rent to landlord/owner. At the family's request, DHA will assist the family to negotiate the rent to landlord/owner. DHA will assist in negotiating reasonable rents with the landlord/owner.

6.5 Housing Quality Standards

Participants must allow landlords/owners and DHA to make inspections of their units at reasonable times and after reasonable notice. If the participant does not cooperate with scheduling and attending inspections, they may be terminated from the program. DHA must be allowed to take pictures of the unit during the inspection. The participant must allow the landlord/owner to make repairs to the unit to meet HQS standards. If the participant does not allow the landlord/owner to make required repairs to the unit or fails to sign certification after repairs are done, the participant will be terminated from the program.

The landlord/owner and the participant must maintain the unit in accordance with HQS, and HUD regulations. Failure to do so will result in abatement of HAP, or termination of the HAP

Contract.

The family is responsible for a breach of the HQS that is caused by any of the following:

- 1) The family fails to pay for any utilities that the landlord/owner is not required to pay for, but which are to be paid by the participant;
- 2) The family fails to provide and maintain any appliances that the landlord/owner is not required to provide, but which are to be provided by the participant;
- 3) Any member of the household or guest damages the dwelling unit or premises (damages beyond ordinary wear and tear);
- 4) If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any DHA approved extension).
- 5) If the family has caused a breach of the HQS, DHA must take prompt and vigorous action to enforce the family obligations. DHA may terminate assistance for the family in accordance with HUD regulations.

Types of Inspections:

1) INITIAL INSPECTIONS

When a participant submits a Request for Tenancy Approval (RFTA), an inspection will be performed on the unit to assure compliance with HQS. If the unit fails HQS, the landlord/owner and participant will be advised of such. The landlord/owner will contact DHA when the unit is ready for re-inspection, a maximum of 30 days after initial inspection. DHA will then conduct a follow-up inspection if the participant is still interested in the unit. If the unit fails HQS for a second time, the unit will not be considered suitable for the participant and the participant must locate another unit. If the participant chooses not to lease the unit after the unit has failed the initial inspection, the participant must advise the Housing Choice Voucher Department of such. The participant may then be eligible to submit a RFTA for a different unit.

The landlord/owner is required to be present at the initial inspection. When the inspector schedules the initial inspection, he/she will attempt to contact the applicant/participant to inform them of the date and time of the inspection and document the contact or attempt. If the inspector is unable to contact the applicant/participant, the landlord/owner will be advised and must also attempt to contact the applicant/participant. To expedite the move-in process, landlord/owner's are encouraged to prepare the lease agreement before the inspection occurs. The lease agreement can be reviewed and signed by the landlord/owner and the applicant/participant at the time of the inspection. The

inspector will have 2 copies of the HAP Contract which can be signed by the landlord/owner once the inspection has passed. If the inspector is unable to obtain the signatures at the time of the inspection, DHA's Move-In staff will mail 2 copies of the HAP Contract to the Landlord for signatures. After the landlord/owner signs and returns both copies of the HAP contract to DHA, one copy will remain with the landlord, and the other copy, along with a copy of the lease, will be included in the participant's file. If the unit passes HQS inspection, and meets rent reasonableness, the landlord/owner and the applicant/participant may enter into the residential lease on the day the unit passes HQS inspection or any date thereafter which is agreed to by both parties.

If the landlord/owner or his/her representative fails to attend the scheduled inspection, the inspection will not be performed. An initial inspection will be re-scheduled 3 times, (3rd inspection must be approved by the Inspections Supervisor. If the landlord/owner or his/her representative fails to be present for the re-scheduled inspection, the RFTA will be cancelled and the applicant/participant will have an opportunity to resubmit a new RFTA, provided the voucher has not expired.

If the voucher expires before the landlord/owner makes the required repairs to the unit, and the unit is repaired and meets HQS standards within 30 days after the initial inspection, the voucher will be honored and a HAP Contract will be executed on behalf of the participant for that specific unit, effective the date of the passed inspection and the effective date of the lease, if the participant still chooses to lease the unit. The lease is effective the date it is signed by both the landlord/owner and the participant. If the voucher expired and the unit does not meet HQS within the allotted 30 days, the participant will be given "tolling" days, the number of days left on the voucher when the RFTA clock was stopped.

2) COMPLAINT INSPECTIONS

A participant or a landlord/owner may request a complaint inspection after attempts by the landlord/owner and participant to resolve the situation have proven to be unsuccessful. If the unit fails to meet HQS, the landlord/owner will have 30 days to correct the deficiencies. If the failed items are of an emergency nature, the landlord/owner must repair the items within 24 hours. An emergency item includes: no heat in winter, no potable water, no flushing toilet, no hot water, no refrigerator, no water, no gas or electric service, gas or electricity problems, or any other item that DHA determines is an emergency threatening life, safety, or property. If the unit does not meet HQS within the allotted 30 days or 24 hours without a DHA approved extension, the landlord's/owner's HAP Contract will be terminated. The participant will be advised that they must move from the unit if they wish to continue their housing assistance, or that if they elect to remain in the failed unit, they will be terminated from the Housing Choice Voucher program. Rent to the landlord/owner will be abated for the period that the unit does not meet HQS. Abatement will be retroactive to the date the unit initially failed HQS inspection.

If a HAP contract is terminated due to the landlord/owner's failure to make repairs, or landlord/owner caused damages, the landlord/owner will not, at DHA's sole and absolute discretion, be permitted to rent the unit to another DHA Housing Choice Voucher tenant for a minimum of three (3) months after the HAP is terminated for the landlord/owner's failure to make repairs.

Other interested parties may request a complaint inspection if the landlord and/or the tenant fail to correct any deficiencies that may affect the surrounding neighborhood.

3) ANNUAL OR BIENNIAL INSPECTIONS

Inspections will occur for each participant unit at least biennially (once every 2 years). Inspections may occur every year. The landlord/owner and/or participant, or an adult age 18 or over, must be present at the inspection so that the inspector may gain access to the unit. If the participant does not attend the inspection and does not make arrangements for the inspector to gain access to the unit, the participant will be terminated from the program. Inspection appointments are set by the Inspection Department. Appointments will only be changed or re-scheduled if the participant has an emergency situation, i.e. hospitalization, out of town, etc. This emergency situation must be documented. If the unit fails to meet HQS, the landlord/owner will have 30 days to correct the deficiencies. If the failed items are of an emergency nature, the landlord/owner must repair the items within 24 hours. An emergency item includes: no heat in winter, no potable water, no flushing toilet, no hot water, no refrigerator, gas or electricity problems, or any other item that DHA determines is an emergency threatening life, safety, or property. If the unit does not meet HQS within the allotted 30 days or 24 hours, the landlord's/owner's HAP Contract will be terminated. The participant will be advised that they must move from the unit if they wish to continue their housing assistance, or if they elect to remain in the failed unit, they will be terminated from the Housing Choice Voucher program. Rent to the owner will be abated for the period that the unit does not meet HQS.

If a HAP contract is terminated due to the landlord/owner's failure to make repairs, or landlord/owner caused damages, the landlord/owner will not, at DHA's sole and absolute discretion, be permitted to rent the unit to another DHA Housing Choice Voucher tenant for a minimum of three (3) months after the HAP is terminated for the landlord/owner's failure to make repairs.

(a) Appliances

The dwelling unit must have an oven, a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. The equipment may be supplied by either the landlord/owner or the family. A microwave oven may be substituted for a participant-supplied oven and stove or range. A microwave oven may be substituted for a landlord/owner-supplied oven if the participant agrees and if the microwave oven is furnished instead of an oven to both subsidized and unsubsidized tenants in the building or

premises.

(b) Lead Based Paint

DHA will follow HUD regulations and requirements regarding lead-based paint. If a clearance test is required on any unit and landlords opt not to do clearance test, unit cannot be leased to another Housing Choice Voucher participant without proper clearance.

(c) Carbon Monoxide Alarms

Landlords must comply with Colorado Law regarding carbon monoxide alarm requirements.

(d) Excessive Clutter

Accumulation of items, which interferes with the normal use of living space, or where the state of order or clutter is such that a health, safety, fire or egress issue exists. Excessive clutter includes but is not limited to a blocked exit that is not usable, heavy accumulation beyond the capacity of an individual to pick up within an hour or two.

(e) Window Wells

Any window wells with a 30" or more drop, must have protective coverings.

(f) Double Key Dead Bolts

Exterior doors must not have double key dead bolts. Access to the outdoors must be attainable without the use of a key.

(g) Participant Caused HQS Failure

- I. DHA will not determine if the Participant has caused damages to the unit. If a landlord/owner claims the Participant caused/is causing damage, the landlord/owner may:
 - (i) Evict the Participant for lease violations.
 - (ii) Contact DHA for an HQS inspection, if the damage has resulted or may result in HQS failure.
- II. If an HQS breach caused by the family is life threatening, the family must correct the deficiency within 24 hours. For other family-caused deficiencies, the family must correct the deficiency within 30 calendar days.
- III. If the family has caused a breach of the HQS, DHA will take prompt and vigorous action to enforce the family obligations. DHA may terminate assistance for the family in accordance with HUD regulations.

(h) Extensions

Repair timeframe extensions may be requested by the landlord/owner.

Requests must be in writing and must demonstrate need for extension, i.e., weather delays, construction delays, etc. Extensions will not be given for failures that are a threat to health and safety.

Participants may only request extensions if the extension request is approved in writing by the landlord/owner.

6.6 Program Fraud and Abuse

The Housing Choice Voucher Department is committed to assure the proper level of benefits are paid on behalf of all program participants, and that housing resources reach only eligible families so that program integrity can be maintained.

- (a) Criteria for Investigation of Suspected Fraud and Abuse Fraud and abuse means a single act or pattern of actions:

- 1) That constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead; and
- 2) That results in payment of Housing Choice Voucher program funds in violation of Housing Choice Voucher program requirements.

Under no circumstances will the Housing Choice Voucher department undertake an inquiry or investigation of an assisted family arbitrarily. The Housing Choice Voucher department's expectation is that assisted families will comply with HUD requirements and program rules, and the Housing Choice Voucher department staff will make every effort (formally and informally) to orient and educate all assisted families in order to avoid unintentional violations. However, the Housing Choice Voucher department has a responsibility to HUD, to the community and to eligible families in need of housing assistance, to monitor program participants for compliance and, when indicators of possible abuse come to the department's attention, to investigate such claims.

The department will investigate a program participant in the event of one or more of the following circumstances:

- 1) Referrals, complaints, or tips: The Housing Choice Voucher Department will follow up on referrals from other agencies, companies or persons which are received by mail, telephone, or in person, which allege that an assisted family is in non-compliance with, or otherwise violating program rules.
- 2) Internal File Review: A follow up will be made if the Housing Choice Voucher department discovers (as a function of a re-certification, an interim re-examination, a quality control review, or any other internal review), information or facts which conflict with previous file data, the department's knowledge of the family, or is in any way in conflict with

statements made by the family.

- 3) Verification or Documentation: A follow up will be made if the Housing Choice Voucher department receives independent verification or documentation which conflicts with representations in the participant file (such as public record information or credit bureau reports).

(b) Steps Taken to Prevent Program Fraud and Abuse

The management and eligibility staff will utilize various methods and practices to prevent program abuse, non-compliance and willful violations of program rules by applicants, assisted families, and landlords. The policy objective is to establish confidence and trust in the program by emphasizing education as the primary means to obtain compliance by program participants.

- 1) Things You Should Know/Is Fraud Worth It?: The program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants at the time of orientation to promote understanding of program rules, and to clarify the Housing Choice Voucher department's expectations for cooperation and compliance.
- 2) Program Orientation Session: Mandatory orientation sessions will be conducted by the Housing Choice Voucher department staff for all applicants upon issuance of a voucher. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign and date the "Orientation Certificate" to confirm that all rules and pertinent regulations were explained to them.
- 3) Owner/Landlord Orientation Session: Orientation sessions may be conducted with new, existing, and potential Housing Choice Voucher landlords/owners to assure an understanding of landlord/owner, family, Housing Choice Voucher Participant Obligations, and to prevent improper or illegal practices by landlords/owners.
- 4) Participant Information: Housing Choice Voucher department staff will routinely offer participant information as part of every re-examination in order to clarify any confusion pertaining to program rules and requirements.
- 5) Review and Explanation of Certification and Other Supplemental Forms: Staff will explain all required forms and review the contents of all documents prior to signature.
- 6) Use of Instructive Signs and Warnings: Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.
- 7) Landlord/Owner Certification: all landlords/owners will be required to sign a "Landlord Certification" form, as contained in HUD's Tenant Integrity

Program Manual.

(c) Steps to Detect Program Fraud and Abuse

The Housing Choice Voucher department will maintain a high level of awareness to indicators of possible fraud and abuse by assisted families and landlords/owners.

- 1) Quality Control File Reviews: Prior to initial certification, and at the completion of all subsequent re-certifications, tenant file may be reviewed based on complaints received and/or errors reported via HUD reports. Such reviews shall include, but are not limited to:
 - (i) Changes in reported social security numbers or date of birth.
 - (ii) Document authenticity.
 - (iii) Review of signatures.
- 2) Observation: Housing Choice Voucher staff will maintain a high awareness of circumstances which may indicate program fraud or abuse; such as when a family's rent portion exceeds its reported income or resources drastically.
 - (i) Public Record Bulletins may be reviewed by Housing Choice Voucher staff.
- 3) Landlord/Owner Audits: The Housing Choice Voucher department may conduct periodic random quality control audits of Housing Choice Voucher landlords/owners to assure compliance with HAP contracts. Such audits may include, but are not limited to:
 - (i) Proof of ownership of assisted unit.
 - (ii) Rent collection receipts and records.
 - (iii) Maintenance/repair records.
 - (iv) An inspection of the unit.
- 4) Data Record Keepers: Inquiries to the Colorado Department of Labor and Employment, or other appropriate Federal, State, or local agencies, as permitted by law, may be made in order to detect unreported wages or unemployment compensation benefits.
- 5) Credit Bureau Inquires: Credit bureau inquiries may be made (with proper authorization by the participant) in the following circumstances:
 - (i) When an allegation is received by the Housing Choice Voucher Department wherein unreported income sources are disclosed.
 - (ii) When a participant's expenditures drastically exceed his/her reported income, and no plausible explanation is given.

(d) Handling of Allegations of Possible Fraud and Abuse

The Housing Choice Voucher department will encourage program participants and

landlords/owners to report suspected abuse to the Housing Choice Voucher department. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the participant file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The Housing Choice Voucher department will not follow up on allegations which are vague or otherwise non-specific. When the Housing Choice Voucher department receives a complaint it will take the following action to determine if a follow-up is warranted.

- 1) File Review: A file review will be conducted to determine:
 - (i) If the subject of the allegation is a program participant.
 - (ii) If the allegation contains information not previously known to the Housing Choice Voucher department.
 - (iii) If the Housing Choice Voucher department is the most appropriate authority to do a follow up (more so than police or social services).
 - (iv) Does the participant's past behavior lend credibility to the allegation
 - (v) Are there any other corroborating complaints
- 2) Conclusion of the Preliminary Review: If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the facts are independently verifiable, the Housing Choice Voucher department may undertake an investigation to determine if the allegation is true or false.

(e) Investigation of Allegations of Abuse and Fraud

When the Housing Choice Voucher department has determined that an allegation or referral warrants follow-up, the department will conduct an investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the Housing Choice Voucher department will secure the written authorization from the program participant for the release of information.

- 1) Credit Bureau Inquiries: In cases involving previously unreported income sources, an inquiry may be made to determine if there is financial activity which conflicts with the reported income of the family.
 - (i) Verification of Credit: In cases where the financial activity conflicts with file data, a Verification of Credit form may be mailed to the creditor in order to determine the unreported income source.
- 2) Employers and previous Employers: Employers or previous employers may be contacted to verify wages which may have been previously undisclosed or misreported.
- 3) Neighbors/Witnesses: Neighbors and/or witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the

Housing Choice Voucher department's review.

- 4) Other Agencies: Law enforcement agencies, investigators, caseworkers, or representatives of other agencies may be contacted.
 - 5) Public Records: If relevant, the Housing Choice Voucher department may review public records. Examples of public records which may be checked are: real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records, postal records and address and phone records.
 - 6) Head of Household or Family Member(s): The Housing Choice Voucher department may discuss the allegation (or details thereof) with the Head of Household or family member, by scheduling a conference at the Housing Choice Voucher office.
- (f) Placement of Documents, Evidence, and Statements Obtained
Documents and other evidence obtained during an investigation will be kept in the participant file. Cases under review will not be discussed among Housing Choice Voucher staff not involved in the process, or with individuals outside the Housing Choice Voucher department not involved in the process.
- (g) Conclusion of Investigative Review
At the conclusion of the investigative review, the reviewer will report the findings to the Director of the Housing Choice Voucher/Housing Choice Voucher Programs, or his/her designee. It will then be determined whether a violation has occurred, or if the facts are inconclusive.
- 1) Evaluation of Findings: The findings will be evaluated to determine the following:
 - (i) The type of violation (Procedural, non-compliance, fraud).
 - (ii) Whether the violation was intentional or unintentional.
 - (iii) What amount of money (if any) is owed to DHA.
 - (iv) If the family is eligible for continued participation.
- (h) Action Procedures for Documented Violations
Once a program violation has been documented, the violation type will determine the procedure taken by the Housing Choice Voucher department. Violations will be classified in the following way.
- l) Procedural Non-Compliance: This category applies when the participant fails to observe a procedure or requirement of the program, but does not misrepresent a material fact, and there is not overpayment of housing assistance. Examples of procedural non-compliance issues are:

- (i) Failure to appear at scheduled conference.
- (ii) Failure to return requested documents in specified timeframe.

Notice to Family: In such cases, a notice will be sent to the family containing the following:

- (i) A description of the non-compliance issue, and the procedure, policy, or obligation which was violated.
- (ii) A Notice of Termination from the program.
- (iii) The right to request an informal hearing.

2) Procedural Non-Compliance - Overpaid Housing Assistance: When the participant owes money to DHA for failure to report changes in income or assets, the Housing Choice Voucher department will issue a notice to the participant. The notice will contain the following:

- (i) A description of the violation and dates.
- (ii) The amount owed to DHA.
- (iii) The right to an informal hearing.
- (iv) Notice of Termination from the program.

If the participant fails to comply with the notice, and a family obligation has been violated, the Housing Choice Voucher department will terminate assistance in the manner prescribed by HUD. The amount owed DHA by the participant will be referred to a collection agency.

When a participant complies with the notice, the responsible staff person will document the participant file with the repayment dates, etc. If applicable, the participant will enter into a repayment agreement with DHA. DHA reserves the right to terminate the participant for fraud, even if a repayment agreement is entered into.

3) Intentional Misrepresentations: When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance, the Housing Choice Voucher department will establish:

- (i) That the participant had knowledge that his/her actions were wrong, and
- (ii) That the participant willfully violated the law.

The participant had knowledge that his/her actions were wrong: this can be demonstrated by showing that the participant was made aware of program requirements and prohibitions. The participant's signatures on various certifications (briefing certificate, re-examination application form, re-determination application form, etc.) are adequate to establish knowledge

of program requirements and prohibitions.

The participant willfully violated the law: Any of the following circumstances is adequate to demonstrate willful intent:

- (i) An admission by the participant of the misrepresentation.
- (ii) The act was done repeatedly.
- (iii) If a false name or social security number was used.
- (iv) There were admissions to others of the illegal action or omission.
- (v) The participant committed material facts which were known to them (e.g. employment of self or other household member).
- (vi) Participant falsified, forged, or altered documents.

(i) Determination of Action

Prior to the final determination of the action to be taken, the Housing Choice Voucher department will consider:

- 1) The duration of the violation and the number of false statements.
- 2) The participant's ability to understand the rules.
- 3) The participant's willingness to cooperate, and to accept responsibility for his/her actions.
- 4) The amount of money involved.
- 5) The participant's past history.
- 6) Whether or not criminal intent has been established.

(j) Disposition of Cases

In all cases involving efforts to recover monies owed, the Housing Choice Voucher department may elect, depending upon its evaluation of the criteria stated above, one or more of the following actions:

- 1) Criminal Prosecution: If the Housing Choice Voucher department has established criminal intent, and the case meets the criteria for prosecution, the Housing Choice Voucher department may:
 - (i) Refer the case to the local or State district attorney, notify HUD's OIG and terminate rental assistance.
 - (ii) Refer the case to HUD's OIG and terminate rental assistance.
- 2) Administrative Remedies: The Housing Choice Voucher department may elect to:
 - (i) Terminate assistance and demand payment of restitution in full.

- (ii) Terminate assistance and execute a repayment agreement in accordance with the Housing Choice Voucher department's collection procedures.
- (iii) Terminate assistance and pursue restitution through civil litigation, and/or refer the case to a collection agency.
- (iv) Continue assistance at the correct rent and demand repayment of restitution in full.
- (v) Continue assistance at the correct rent and execute a repayment agreement in accordance with the Housing Choice Voucher department's collection procedures.

(k) Notification to Participant

The Housing Choice Voucher Department will notify the participant of the action. Such notice will contain:

- 1) The action being taken.
- 2) The reason for the action.
- 3) The date the action will take place.
- 4) The participant's right to an informal hearing, and date by which the request for such hearing must be received.



Collection Procedures

1) Participant Repayment Agreements

DHA utilizes administrative repayment agreements for unreported income and damage claims. If the participant fails to follow the terms of the repayment agreement for unreported income or fraud, the participant may be terminated from the program and/or referred to a collection agency.

The Certification Specialist may execute repayment agreements with participants; all repayment agreements will be approved by the Program Manager. The Head of Household and spouse (if applicable) are required to sign the repayment agreement.

If the participant refuses to enter into a repayment agreement, DHA will begin termination proceedings against the participant.

Any participants who are requesting a move and submitting a RFTA will first be investigated for unreported income repayment status. If a repayment agreement was entered into and is not current, the participant must bring the repayment

agreement current before the RFTA will be accepted by DHA. If the repayment agreement is not brought current, the RFTA will not be approved, and the participant may also be terminated for failure to abide by the repayment agreement.

If a participant owes DHA money and wishes to port out of DHA's jurisdiction, DHA will not process the port request unless they pay the amount due in full. If a participant is already on a repayment agreement and they wish to port out of DHA's jurisdiction the amount owed must be paid in full.

If a participant's account has been turned over to a collection agency for collection, due to default on a repayment agreement, the participant will be terminated for failure to follow participant obligations.

DHA reserves the right not to enter in to a repayment agreement at any time, based on willful neglect or abuse by the participant, resulting in a claim. In this case, DHA will refer the account to collection and will terminate the participant from the program.

DHA reserves the right not to enter into a repayment agreement at any time for unreported income or willful fraud and may instead terminate the participant from the program. DHA may exercise this right under the following circumstances, including, but not limited to: intentional fraud, excessive amounts of unreported income, and failure of the participant to cooperate with fraud investigation. Under these and similar circumstances, DHA may also demand payment in full, along with terminating the participant from the program, and turning the account over to a collection agency.

DHA reserves the right to charge the statutory interest rate on all repayment agreements.

Repayment agreements will have a monthly payment schedule.

If there is a second incident of unreported income while already on a repayment agreement, DHA will move to termination.

A family may request an extension of the monthly due date, provided the extension request is in writing and is received prior to the due date of the monthly payment. Extensions must include verification supporting the reason for the extension. Verification may include: doctor's statements or court documents. Extensions must be approved by the Program Manager.

DHA reserves the right to turn repayment agreements over to an independent collection agency.

If a participant brings their repayment agreement up to date before the effective date of their termination for default on a repayment agreement, the participant may be reinstated to the program. Decisions to reinstate participants for this reason will be made by the Program Manager. Participants who make such payments before their effective termination date will only be allowed to do so twice within a twelve-month period. If this situation occurs a third time, the participant will be terminated from the program, and their account turned over to a collection agency.

2) Landlords/Owners

If it is determined that a landlord/owner owes DHA for overpayment of HAP, the landlord/owner will be notified in writing of the overpayment amount. If the landlord/owner does not repay the amount due, the HAP Contract may be terminated and the landlord/owner may be banned from the program. DHA reserves the right to turn landlord/owner debts over to a collection agency. If the landlord/owner has other active HAP Contracts, amounts owed will be collected from amounts due under those contracts.

3) Fraud Collections

Families owing amounts to DHA, other PHAs, or to HUD directly or indirectly as a consequence of fraud while a participant in a federal housing program are not eligible to receive Housing Choice Voucher assistance. Applicants will be advised of the amount owed in writing and given an opportunity to repay the amount in order to be placed in the lottery pool. If it is discovered that a participant owes amounts to DHA, other PHAs, or to HUD directly or indirectly as a consequence of fraud while a participant in a Federal housing program, they will be advised of the amount, will be given the opportunity to repay the amount, and may be terminated from the program.

SECTION 7

**HOUSING CHOICE VOUCHER INFORMAL REVIEW AND
HEARING PROVISIONS**

HOUSING CHOICE VOUCHER INFORMAL REVIEW AND HEARINGS POLICY

7.1 Application Stage

- (a) DHA will send prompt written notice to an applicant for Housing Choice Voucher programs (Housing Choice Voucher, Mod Rehab and PBV) notifying him/her that he/she has been denied housing and the reason(s) supporting the determination of ineligibility. The notice will also advise the applicant of his/her right to an informal review and how to obtain the informal review.
- (b) Whenever a written notice of denial of the application is given to an applicant that notice will state all grounds upon which DHA will rely for the denial. If the notice of denial is based on an alleged outstanding debt to DHA, the notice will state the address and the total amount claimed as due.
- (c) The applicant must request the informal review, in writing, to DHA and must do so within ten (10) business days of the date the applicant is notified that the application was denied. DHA will then schedule an informal review no later than thirty (30) days from the date DHA received the applicant's written request. If the applicant does not submit a request in accordance with this paragraph, then DHA's disposition of the matter shall become final.
- (d) Upon the written request of the applicant or DHA, the informal review may be postponed and rescheduled to the next available regularly scheduled date. This request for postponement must be submitted at least twenty-four (24) hours prior to the scheduled hearing. An informal review may be postponed once. If the applicant fails to appear at the second scheduled review, DHA's disposition of the grievance will become final.
- (e) The review will be conducted by a member of DHA staff, hereafter referred to as the "Review Officer", who did not make the initial decision to cancel or deny the application, and who is not a subordinate of that person. During the review, DHA's and the applicant's witnesses and potential witnesses in the matter may be present, and those persons shall be permitted to observe the entire review. The applicant will be afforded a fair review and provided the basic safeguards of due process, which shall include:
 - 1) The opportunity to examine before the review any DHA documents, including records and regulations that are directly relevant to the review. The applicant shall be provided copies of any such document at a rate of \$0.25 per page or the actual cost whichever is greater. (All copying services must be prepaid by cash, cashier's check, or money order made payable to the "Housing Authority of the City and County of Denver" **before** DHA staff will copy the records. No credit cards are accepted and no billing of third party vendor's services will be done by DHA. The requestor will be

notified when the copies are ready for pick up.) However, the original documents shall not be removed from DHA's premises. Any document not made available to the applicant will not be relied on by DHA.

- 2) The right to be represented by counsel or other person selected as a representative.
 - 3) The right to a private review unless the applicant requests a public hearing.
 - 4) The right to present evidence, witnesses on applicant's behalf, and arguments to controvert evidence relied on by DHA and to cross-examine all witnesses on whose testimony or information DHA relies.
 - 5) A decision based solely and exclusively upon the facts presented at the review.
 - 6) Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.
 - 7) The Review Officer will consider only those issues presented in the original notice, and will not consider new issues or evidence of which the applicant had no notice.
 - 8) No recording of the informal hearing proceeding is allowed unless requested twenty-four (24) hours in advance of the scheduled informal hearing. DHA has the right to record the informal hearing.
- (f) The review will be conducted informally by the Review Officer. The Review Officer shall require DHA, the applicant, counsel and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the Review Officer to maintain order may result in expulsion from the proceedings or in a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate.
- (g) If the applicant or DHA fails to appear at the scheduled review, the Review Officer may determine that the party has waived his/her right to a review and make a determination adverse to the absent party. Both DHA and the applicant shall be notified in writing of the determination by the Review Officer.
- (h) The Review Officer will give a final written decision to the denied applicant. The decision will be mailed to the applicant at the address the applicant has on file with DHA within ten (10) business days after completion of the review.

- (i) A Review Officer may re-open a denied application for the Housing Choice Voucher Programs if the applicant provides the necessary requested information or resolves any dispute concerning an alleged debt owed to DHA or any other agency, at the time of the review or at a time specified by the Review Officer.

DHA will not provide the applicant an opportunity for an informal review for reasons so stated in the HUD regulations [24 C.F.R. 982.554(c)].

DHA will follow HUD regulations regarding informal reviews for the denial of assistance based on ineligible immigration status.

7.2 Housing Choice Voucher Participants

DHA will provide families in the Housing Choice Voucher Program an opportunity for an Informal Hearing to consider decisions with respect to the families' individual circumstance, in the following situations:

- (a) Determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
- (b) Determination of the appropriate utility allowance (if any) for tenant-paid utilities from DHA's utility allowance schedule.
- (c) Determination of the family unit size under the PHA subsidy standards.
- (d) Determination that a program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the PHA subsidy standards, or DHA's determination to deny the family request for an exception from the standards.
- (e) Determination to terminate assistance for a participant family because of the family's action or failure to act.
- (f) Determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under DHA policy and HUD rules.

DHA is not required to provide an opportunity for an Informal Hearing for the following decisions:

- (a) Discretionary administrative determinations, general policy issues, or class grievances.
- (b) Determination that an assisted housing unit does not meet program HQS, has not been maintained by the owner to those same standards, in order to meet decent, safe, and sanitary guideline interpretations.

- (c) A determination to exercise or not to exercise any right or remedy against the landlord/owner under the provisions of the HAP contract including the termination of the HAP.
- (d) Determination not to extend or suspend the term of the voucher.
- (e) Establishment of DHA schedule of utility allowances for families in the program.
- (f) Determination not to approve a unit or lease.
- (g) Determination that the unit is not in accordance with HQS because of family size.

DHA will send written notice to participants notifying them of the termination of assistance and that they have been terminated from the program and the reason(s) why. The notice will also advise the participant of their right to an informal hearing.

The participant must request the informal hearing in writing to DHA and must do so within ten (10) business days of the date of the mailing of the termination notice. Hearing requests submitted after the ten day timeframe will be considered if the participant documents that an emergency situation delayed their request, i.e. hospitalization, etc. Extensions to the ten day time limit will be made by the Program Manager.

DHA will then schedule an informal hearing within ten (10) business days from the date of the request by the participant. If the participant does not request a hearing in accordance with this Administrative Plan, then DHA's disposition of the termination may become final.

Upon the written request of the participant or DHA, the hearing may be postponed and re-scheduled to the next available regularly scheduled hearing date. A hearing may be postponed once. If the participant fails to appear at the second scheduled hearing, DHA's disposition of the termination will become final.

The hearing will be conducted by a person designated by DHA (Hearing Officer) who did not make the initial decision to terminate the participant and is not a subordinate of that person. During the hearing, DHA and the participant may have present all witnesses and potential witnesses in the matter, and those persons may be permitted to observe the entire hearing. The participant will be afforded a fair hearing and provided the basic safeguards of due process, which shall include:

- (a) The opportunity to examine before the hearing, and at the expense of the participant, a copy all documents, records and regulations of DHA, which are relevant to the hearing. Any document not so made available after the request of the participant will not be relied on by DHA at the hearing.
- (b) The right to be represented by counsel or other person selected as a representative.
- (c) The right to a private hearing unless the participant requests a public hearing.

- (d) DHA and the family have the right to present evidence and arguments in support of their positions; to controvert evidence relied on by the other party; and to cross-examine all witnesses on whose testimony or information they rely.
- (e) A decision based solely and exclusively upon the facts presented at the hearing.
- (g) Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.
- (h) The participant must give DHA the opportunity to examine, at DHA's offices, before the hearing, any participant documents that are directly related to the hearing. DHA must be allowed to copy any such documents. If the participant does not make the document available to DHA upon request, the participant may not rely on that document in the hearing.
- (i) The Hearing Officer will consider only those issues presented in the original notice, and will not consider new issues or evidence of which the participant had no notice.
- (j) The Hearing Officer will, within ten (10) business days, give a final written decision to the participant and DHA stating briefly the reasons for the decision, a list of the evidence and documents reviewed and citing HUD regulations, DHA's policies and procedures, and law, relied upon for the decision. The decision will also state if any mitigating circumstances were presented. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing. The decision will be mailed to the participant at the address the participant has on file with DHA unless the family provides an updated address to the Hearing Officer.

The hearing will be conducted informally by the Hearing Officer. The Hearing Officer shall require DHA, the participant, counsel, and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the Hearing Officer to maintain order may result in exclusion from the proceedings or in a decision adverse to the interest of the disorderly party and granting or denial of the relief sought, as appropriate.

If the participant or DHA fails to appear at the scheduled hearing, the Hearing Officer may make a determination that the party has waived its right to a hearing and may make a determination adverse to the absent party. Both DHA and the participant shall be notified in writing of the determination by the Hearing Officer.

The Hearing Officer may render a decision without proceeding with the hearing, if the Hearing Officer determines that the issue has been previously decided in a similar proceeding.

7.3 Denial of Reasonable Accommodation

If a participant is denied a request for accommodation in accordance with the Reasonable Accommodation in Housing Guidelines, the participant may request a grievance hearing in

compliance with DHA's Housing Choice Voucher Reasonable Accommodation Grievance Procedure.

7.4 Conducting Informal Hearings

Informal hearings will be conducted by the designated review official for the particular affected function. The hearing may be held at either the request of the participant/applicant or at the discretion of DHA. The participant may be represented by an attorney acting on their behalf. The cost of retaining an attorney shall be borne by the applicant/participant.

The hearing may be conducted in any format which the designated review official deems necessary and prudent depending on the circumstance. This format may specifically excuse individuals other than the participant/applicant, his or her attorney, and the landlords/owners representative. DHA staff members will be admitted for testimony purposes, as may be appropriate. In all instances, the meeting will be conducted on a fact finding basis with both sides presenting their case, as may be appropriate.

7.5 Designated Review Official

The designated review official for participant matters will be the Director of Housing Choice Voucher or his/her designee.

7.6 Applicability of Hearing Decision

DHA is not bound by an informal review or a hearing decision concerning:

- (a) A matter for which DHA is not required to provide an opportunity for an informal review/hearing.
- (b) A matter which exceeds the authority of the person conducting the review/hearing under DHA's hearing procedures.
- (c) A determination which is contrary to HUD regulations and requirements, State, Federal or local law.

If DHA should determine it is not bound by such a review/hearing decision, it will promptly notify the family of the decision in writing and of the reasons for the determination. In these cases, DHA may allow the family the opportunity to request another review/hearing.

SECTION 8
HOUSING CHOICE VOUCHER FAIR HOUSING PROVISIONS

HOUSING CHOICE VOUCHER FAIR HOUSING POLICIES

DHA will carry out and administer the HUD requirements for the Housing Choice Voucher Program, Mod Rehab Program and Project Based Voucher Program in the following manner:

- 1) Provide notice of the availability and nature of housing assistance for low-income families under program requirements, adopt suitable means to assure that the notice reaches eligible individuals with disabilities;
- 2) Encourage participation by landlords/owners, including encouragement of participation by landlords/owners having accessible units;
- 3) When issuing a voucher to a family which includes an individual with disabilities, will include a current listing of available accessible units known to DHA and, if necessary, will otherwise assist the family in locating an available accessible dwelling unit;
- 4) Consider the problem of locating an accessible unit when reviewing requests by eligible individuals with disabilities for extensions and re-issuances of vouchers.

This information, as well as information regarding the 504 Coordinator, is provided in the Housing Choice Voucher Orientation Packet, Moving Packet, Annual Eligibility Review Packet and Interim Packet.

DHA will not discriminate at any stage of the admissions and occupancy process because of race, color, national origin, religion, sex, age, familial status, disability, sexual orientation, LGBT Status, or political affiliation. DHA is bound by the non-discrimination requirements of Federal, State, and local law. DHA will abide by the non-discrimination requirements of:

- 1) Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color or national origin in programs receiving Federal financial assistance.
- 2) Title VIII of the Civil Rights Act of 1968, as amended, which prohibits discrimination based on race, color, religion, national origin, sex, familial status, or disability in the sale, rental or advertising of housing.
- 3) Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination based on disability in programs receiving Federal financial assistance.
- 4) The Age Discrimination Act of 1975, which prohibits discrimination based on age in programs receiving Federal financial assistance.
- 5) Executive Order 11063, which required the Department of Housing and Urban Development to take whatever actions necessary to prohibit discrimination based on

- race, color, national origin, religion or sex in housing receiving Federal financial assistance.
- 6) Title II of the Americans with Disabilities Act.
 - 7) The Colorado Anti-Discrimination Act.
 - 8) The Denver County Anti-Discrimination Ordinance which prohibits discrimination based upon age, sexual orientation, gender variance, marital status, physical or mental disability, race, color, national origin, gender, military status or religion.

No preference will be shown any applicant because of political affiliation or acquaintance with any public official at the Federal, State, or local level. Nor shall preference be shown to any applicant because of any acquaintance with any employee of DHA.

DHA will assist families claiming illegal discrimination from a landlord that prevents them from leasing a suitable housing unit by giving the family information on how to fill out and file a housing discrimination complaint.

SECTION 9
EQUAL OPPORTUNITY HOUSING PLAN PROVISIONS

EQUAL OPPORTUNITY HOUSING PLAN

Due to widespread knowledge and acceptance of the Housing Choice Voucher program and the evident marketing success demonstrated by the current lottery pool, future advertising will be accomplished through those newspapers of widespread general circulation, and minority focused media such as La Voz, the Denver Weekly News, and the El Semenario. DHA may also undertake additional marketing activities in order to market site specific or special purpose housing, as identified in this Administrative Plan.

To ensure that the availability of housing is communicated to individuals with disabilities, DHA will contact agencies and organizations that serve individuals with disabilities, such as: Denver Association of Retarded Citizens, Denver Center for Independent Living, the Denver Commission on the Disabled, and other appropriate organizations.

Public notices to families and landlords/owners will be accomplished in accordance with HUD regulations.

9.1 Outreach to Landlords/Owners

DHA encourages participation by landlords/owners having suitable units located outside of low-income and minority concentrated areas.

Housing Choice Voucher does advertise in the local newspapers soliciting landlords/owners who have units, including accessible units, to determine if the landlords/owners are interested in having Housing Choice Voucher participants referred to their units. The advertisement states that the units must meet HQS. If the landlord/owner requests, the unit will be listed in the Unit Listing at the Housing Choice Voucher Office, which is available to all Housing Choice Voucher participants and included in the Orientation Packet. Accessible units will be noted as accessible, indicating the specific accommodations of the particular unit.

DHA will educate and inform landlords/owners of the benefits of participation in the Housing Choice Voucher program, including the benefits of providing accessible housing. This will be accomplished through technical assistance and training offered by DHA throughout the year. Staff will also be available to provide this type of information to landlords/owners during workshops and seminars conducted by the real estate industry including membership in the National Association of Residential Property Management (NARPM).

9.2 Outreach to Families

Participant selection for the Housing Choice Voucher programs will be taken from the Housing Choice Voucher lottery pool. The lottery pool is representative of all ethnic groups in the Denver area.

The Housing Choice Voucher staff, with the assistance of the 504 Coordinator, will keep and maintain current resource lists on available accessible housing. These lists may include the names of realtors, organizations which will provide assistance for modifications, names of developers and

other types of businesses, which provide services and assistance needed by individuals with disabilities. Examples of these types of organizations include: the Metro Denver Board of Realtors, the Housing Information Referral Service, and the Colorado Housing and Finance Authority (CHFA). This information will be available to applicants in varied forms.

Outreach for the SRO Program includes emergency and transitional shelters, mental health clinics, and drug and alcohol programs.

9.3 Affirmative Marketing

No groups of individuals are identified as less likely to apply for Housing Choice Voucher housing assistance. However, if future program marketing efforts are appropriate, DHA may temporarily revise its marketing efforts in order to produce desired results. Special mail-in procedures for elderly or severely disabled respondents may be employed. The procedural process may be modified to provide a reasonable accommodation for individuals with disabilities upon request. Requests for accommodation must comply with the Reasonable Accommodations in Housing Guidelines ("RAHG"). Each request will be handled on a case-by-case basis.

DHA's Housing Choice Voucher Family Self Sufficiency (FSS) Program is marketed to all current DHA Housing Choice Voucher Participants. DHA FSS Program information is provided to each participant upon entry into the Housing Choice Voucher Program. All FSS services are provided in buildings and facilities which are accessible to persons with disabilities. Information on Fair Housing is provided to all participants upon entry to the FSS Program. The FSS Program keeps records which include race, ethnicity, family status, and disability status of program participants.

9.4 Non-discrimination

If a family believes that illegal discrimination because of race, color, religion, sex, national or ethnic origin, age, familial status, disability, sexual orientation, gender identity, or any other class protected by Federal, State or Local law prevents the family from finding or leasing a suitable unit with assistance under the program, or that selection from the Housing Choice Voucher lottery pool or the family's original eligibility for participation in the program was adversely affected by discrimination, they will be interviewed by staff and have program requirements explained to them. If this action does not resolve the problem, the applicant will be advised to place their complaint in writing, an investigation of the complaint will occur, and a written response will be prepared by the Director of the Housing Choice Voucher Programs or his/her designee. Any complaints regarding discrimination based on an individual's disability will be forwarded to the DHA 504 Coordinator. The family will also be referred to the HUD Office of Fair Housing. Federal law prohibits owners of Low-Income Housing Tax Credits and HOME developments from refusing to lease to a family solely based on participation in the Housing Choice Voucher program.

SECTION 10
HOUSING CHOICE VOUCHER HOMEOWNERSHIP PROGRAM

HOUSING CHOICE VOUCHER HOME OWNERSHIP PROGRAM

(PROGRAM TERMINATED ON 12/31/09)
(ONLY FOR CURRENT HOMEBUYERS)

- **Loan Requirements** All subsidy payments will be paid directly to CHFA or other DHA approved lenders.
- The maximum length of home owner voucher assistance is 30 years.

Compliance with Participant Obligations

Participants must agree, in writing, to comply with all the following Participant Obligations to participate in DHA's Housing Choice Voucher Home Ownership Program:

- All subsidy payments will be paid directly to CHFA or other DHA approved lenders.
- The maximum length of home owner voucher assistance is 30 years.
- Acknowledge that failure to comply with Housing Choice Voucher rules will result in the termination process as stated in HUD Housing Choice Voucher rental assistance and homeownership rules and regulations and DHA's administrative plan.
- Acknowledge that the family will become obligated for the entire mortgage payment in event that Housing Choice Voucher assistance is terminated.
- Agree to maintain the condition of the home to comply with minimum HUD Housing Quality Standards (HQS).
- If during the course of homeownership assistance, the family ceases to qualify as a disabled family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least six months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive home ownership assistance in accordance with this part).
- The buyer is prohibited against reconveyance or transfer of home so long as the family is receiving homeownership assistance from DHA.
- Housing Choice Voucher home owners **must have an annual DHA reexamination** to review the homeowner's income and family composition and to determine appropriate payments and make adjustments as necessary. If home owners do not complete their annual eligibility reviews, they will lose their Housing Choice Voucher assistance.
- DHA has the right to perform yearly HQS inspections.
- Buyer agrees to maintain the condition of the home to comply with minimum HUD Housing Quality Standards (HQS) and acknowledges that voucher assistance can be terminated for failing to comply.
- The family may not sell the home unless DHA has approved the sale.

Delinquency Prevention

- Program participant agrees to allow their first mortgage company to contact DHA if the buyer is 15 or more days delinquent.
- If participant no longer qualifies for Housing Choice Voucher program, she/he will be responsible for all mortgage payments.

SECTION 11

MODERATE REHABILITATION PROVISIONS

SECTION 12

PROJECT BASED VOUCHER PROGRAM

PROJECT BASED VOUCHER ("PBV") PROGRAM

12.1 General Requirements

The project-based voucher (PBV) program allows PHAs that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to take up to 20% of its voucher program budget authority and attach the funding to specific units rather than using it for tenant-based assistance. Program requirements for attaching project-based voucher assistance to units are found at 24 C.F.R. 983 (the Regulations). In the event of any inconsistency between the Regulations and this Administrative Plan, the Regulations govern.

DHA will operate a PBV program using up to 20% of its voucher program budget authority. At least annually, DHA will determine the number of vouchers needed for PBV program and reduce or discontinue the issuance of new tenant-based vouchers so that the necessary PBV assistance are made available through attrition. The PHA may terminate the contract in accordance with HUD requirements, if program funding is not sufficient to support continued assistance.

The decision to provide PBV assistance will be based on the extent to which such assistance will:

Enable housing and support service providers to rapidly move people out of homelessness and provide them with critical services that they need in order to maintain housing stability long-term. Upgrade and assure the long-term viability of the city's rental housing availability; Increase the supply of affordable housing and location choices available to low income households; Integrate housing and supportive services for low-income families with special needs, and; Promote the coordination and leveraging of housing resources.

Unless specifically prohibited by the PBV program regulations in accordance with 24 C.F.R. 983.2, policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

Relocation Requirements

Any person displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (RA) [42 U.S.C. 4201-4655] and implementing regulations at 49 C.F.R. part 24. The cost for required relocation will be paid by the property owner.

Equal Opportunity Requirements

DHA will comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program.

12.2 Owner Proposal Selection Procedures

DHA will select PBV proposals in accordance with the selection procedures in the DHA Housing Choice Voucher Administrative Plan. Proposals will be selected in accordance with 24 C.F.R. 983.51. Before selecting a PBV proposal, DHA will ensure that the PBV proposal complies with HUD regulations and requirements, including a determination that the property qualifies as eligible housing, complies with the cap on the number of PBV units per building (25%), and meets the site selection standards in accordance with 24 C.F.R. 983.57.

Selection of a proposal for housing assisted under a Federal, State or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals (e.g, HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

DHA will review and evaluate proposals according to the following criteria:

1) Existing and rehabilitated housing site and neighborhood standards:

Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities and streets must be available to service the site;
Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
Be accessible to social, recreational, educational, commercial, health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents; and
Be located that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive.

2) New construction site and neighborhood standards:

Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities and streets must be available to service the site.
Site must not be located in an area of minority concentration, except as permitted under 24 C.F.R. 983.57(e)(3), and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.

A project may be located in an area of minority concentration only if:

- a) Sufficient, comparable opportunities exist for housing minority families in the income range to be served by the proposed project outside areas of minority concentration;
- b) The project is necessary to meet overriding housing needs that cannot be met in that housing market area;

- c) Produce a reasonable distribution of assisted units each year that, over a period of several years, will approach an appropriate balance of housing choices within and outside areas of minority concentrated areas; and
- d) Units may be comparable opportunities.

Site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.

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

Housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents. Except for new construction, housing designed for elderly persons, travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower income workers, must not be excessive.

DHA-Owned Units

A DHA-owned unit may be assisted under the PBV program only if the HUD field office or HUD approved independent entity reviews the selection process and determines that DHA-owned units were appropriately selected based on the selection procedures specified in this Administrative Plan. If a property is DHA-owned or controlled by DHA, DHA must identify the independent entity that will review DHA's proposal selection process (unless DHA will ask HUD to do this) and perform specific functions with respect to rent determinations and inspections.

The South Lincoln development is currently awaiting HOPE VI funding. If funding received is less than 100% DHA will request 38 units from South Lincoln for Project Base leasing.

Prohibition of Assistance for Certain Units

DHA may not attach or pay PBV assistance for shared housing units, units on the grounds of a penal reformatory, medical, mental or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; cooperative housing; and transitional housing. In addition, DHA may not attach or pay PBV assistance for a unit occupied by an owner or ineligible family.

DHA will not use high rise elevator projects for families with children.

DHA will not attach or pay PBV assistance to units in the following subsidized housing types:

- A public housing unit;
- A unit subsidized with another form of Housing Choice Voucher assistance;
- A unit subsidized with any governmental rent subsidy;

A unit subsidized with governmental subsidy that covers all of any part of the operating costs of the housing;

A unit subsidized with Section 236 rental assistance payments;

A unit subsidized with rental assistance payments under Section 521 of the Housing Act of 1949, 42 U.S.C. 1490a;

A Section 202 project for non-elderly with disabilities;

Housing Choice Voucher¹¹ project-based supportive housing for person with disabilities; Section 202 supportive housing for the elderly;

A Section 101 rent supplement project;

A unit subsidized with any form of tenant-based rental assistance; and

A unit with any other duplicative Federal, State, or local housing subsidy, as determined by HUD or DHA.

DHA will provide PBV assistance in accordance with HUD subsidy layering regulation in accordance with 24 C.F.R. 4.13.

Cap on Number of PBV Units in Each Building

DHA may not select proposals to provide PBV assistance for units in a building if the total number of dwelling units in the building that will receive PBV assistance during the term of the HAP contract is more than 25% of the number of dwelling units (assisted or unassisted) in the building.

In the following cases, PBV units are not counted against the 25% per building cap: 1) Units are in a single-family building; and 2) The units are excepted units in a multifamily building because they are specifically made available for elderly or disabled families or families receiving supportive services. With respect to families receiving supportive services, see Section 12.6(h) below.

DHA may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a HAP contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program if, at the time of notice of DHA selection, the units substantially comply with HQS. Units for which new construction or rehabilitation was started in accordance with PBV program requirements do not qualify as existing housing.

DHA will decide what housing type, new construction, rehabilitation, or existing housing will be used to develop PBV housing. The housing type must be reflected in the solicitation of proposals.

Site Selection Standards

DHA's goal is to select sites for PBV housing that provide for de-concentrating poverty and expanding housing and economic opportunities. In complying with this goal, DHA will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20% or less. DHA may grant exceptions to the 20% standard when it is determined that the PBV assistance will complement other local redevelopment activities designed to de-concentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20%, such as:

A census tract in which the proposed PBV development will be located in a HUD designated Enterprise Zone, Economic Community, or Renewal Community;

A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;

A census tract in which the proposed PBV development will be located is undergoing significant revitalization;

A census tract whether state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement;

A census tract where new market rate units are being developed where such market rates units will positively impact the poverty rate in the area;

If the poverty rate in the area where the proposed PBV development will be located is greater than 20%, the PHA should consider whether in the past 5 years has been an overall decline in the poverty rate;

A census tract where there are meaningful opportunities for educational and economic advancement.

Environmental Review

Activities under the PBV program are subject to HUD environmental regulations in 24 C.F.R. parts 5 and 58.

Request for Proposal Process

(a) DHA will advertise the availability of project-based vouchers in the Denver Post. Proposals will be due no sooner than fifteen (15) days after the date of the initial advertisement.

The advertisement will contain summary information about:

- The number of vouchers available
- The types of housing to be used
- The deadline for proposals

Interested parties will be directed to download a complete Request for Proposals (RFP) packet from the DHA website. The packet will include detailed information about the PBV program and the selection process, and any forms to be used or included with the proposal.

Questions will be accepted by electronic mail only. All questions submitted will be answered by electronic mail.

Proposals must be received by DHA by the date and time specified in the RFP. Late proposals will not be accepted. Proposals may be mailed, emailed, sent by private delivery service, or hand-delivered to DHA's administrative offices. Proposals submitted by fax will not be accepted.

(b) Proposal Review and Selection

DHA will review all proposals to determine whether proposed units meet DHA's minimum requirements as stated in the RFP. Proposals that do not meet these minimum requirements will be deemed non-responsive. Proposals determined to be non-responsive will be rejected. DHA will not rate these proposals.

All units in the competitive range will be inspected for compliance with HUD's Housing Quality Standards (HQS), and with the Residential Lead-Based Paint Hazard Reduction Act of 1992 as implemented at 24 C.F.R. 35, subpart H.

For existing units, DHA will conduct an inspection and complete an inspection report identifying HQS deficiencies to be corrected prior to the execution of the HAP contract.

For units requiring rehabilitation in excess of \$1000 per unit, DHA will conduct an HQS inspection and complete an inspection report listing all HQS deficiencies. If the applicant has submitted drawings and/or specifications, DHA will review the applicant's plan to determine whether additional work items are necessary to bring the units into compliance with HQS.

For units to be constructed, DHA will review the applicant's plans and/or specifications to determine that they include all items necessary for compliance with HQS. DHA will also conduct a site inspection, and will evaluate the proposed site in accordance with HUD's site and neighborhood standards for new construction.

DHA will use information submitted by the applicants and the results of the unit and/or site inspections and other reviews to rate all proposals in the selection pool. Proposals will be rated in accordance with the selection criteria and weighting to include site and neighborhood characteristics; design of the proposed units; previous experience of the applicant and/or other participants in development, marketing and management; and feasibility of the project as a whole, including the likelihood of financing and marketability. Additional criteria established by DHA may include:

- Documented need for the proposed type of housing;
- Large bedroom sizes suitable for families with children;
- Type and quality of proposed supportive services;
- Extent to which the proposed development contributes to the distribution of affordable housing throughout the City and/or promotes the de-concentration of poverty;
- Cooperative agreements or arrangements between public, quasi-public and/or non-profit agencies or organizations;
- Leveraging of assistance from multiple sources or programs;
- Quality of management plan; and
- Participation by minority and women-owned businesses

DHA will use the ratings of the proposals reviewed to establish a competitive and non-competitive break in the ratings. If the number of units in the competitive range is less than the maximum number of units advertised, fewer units will be awarded. If, when reasonable allowance is made for proposals that will drop out during the development process, the number of project-based vouchers available is sufficient to provide assistance to all proposals in the competitive range, all

proposals will receive an offer of project-based voucher assistance. If the number of units in the competitive range exceeds the number of project-based vouchers available, a reduction will be made in the number of vouchers awarded to the lower-rated proposal(s).

In no instance will DHA make a commitment of PBV in excess of 20% of its budget authority.

Awarded applicants of units in the competitive range will be promptly notified in writing that their proposals have been selected to receive project-based voucher assistance, subject to compliance with all DHA and HUD requirements. The notifications will include the work items required to bring the units into compliance with HQS, and the unit rents proposed by DHA. Applicants will be given ten (10) business days from the date of mailing to advise DHA whether they are in agreement with the terms and conditions proposed.

Documentation will be available for public inspection regarding the basis for DHA's selection.

Each application must be approved by the DHA Board of Commissioners prior to entering into a HAP contract and prior to requesting a waiver from HUD, if needed.

12.3 Dwelling Units

Housing Quality Standards

The HQS for the tenant-based voucher program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, cooperative housing, manufactured home space rental, and the home ownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 C.F.R. 5.703 does not apply to the PBV program.

Lead-Based Paint [24 C.F.R. 983.101(c)]

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 C.F.R. part 35, subparts A, B, H, and R, apply to the PBV.

Housing Accessibility for Persons with Disabilities

The housing must comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 C.F.R. part 8. The PHA must ensure that the percentage of accessible dwelling units complies with the requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 C.F.R. 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments of 1988 and implementing regulations at 24 C.F.R. 100.205, as applicable. (24 C.F.R.983.102).

Inspecting Units

(a) Pre-selection Inspection [24 C.F.R. 983.103(a)]

DHA will examine the proposed site before the proposal selection date. If the units to be assisted already exist, DHA must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with the HQS. To qualify as existing housing, units must substantially comply with the HQS on the proposal selection date. However, DHA may not execute the HAP contract until the units fully comply with HQS.

(b) Pre-HAP Contract Inspection [24 C.F.R. 983.103(b)]

DHA will inspect each contract unit before execution of the HAP contract. The PHA may not enter into a HAP contract covering a unit until the unit fully complies with HQS.

(c) Turnover Inspections [24 C.F.R. 983.103(c)]

Before providing assistance to a new family in a contract unit, DHA must inspect the unit. DHA will not provide assistance on behalf of the family until the unit fully complies with HQS.

(d) Annual or Biennial Inspection [24 C.F.R. 983.103(d)]

At least every 2 years during the term of the HAP contract, DHA will inspect a random sample, consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this annual inspection requirement.

If more than 20 percent of the annual sample of inspected contract units in a building fails the initial inspection DHA will re-inspect 100 percent of the contract units in the building.

(e) Other Inspections [24 C.F.R. 983.103(e)]

DHA will inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. DHA will take into account complaints and any other information coming to its attention in scheduling inspections.

DHA will conduct follow-up inspections as needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting DHA supervisory quality control HQS inspections, the PHA should include a representative sample of both tenant-based and project-based units.

(f) Inspecting PHA-owned Units [24 C.F.R. 983.103(f)]

In the case of PHA-owned units, the inspections must be performed by an independent agency designated by the PHA and approved by HUD. The independent entity must furnish a copy of each inspection report to DHA and to the HUD field office where the project is located. DHA must take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the PHA-owner.

12.4 Rehabilitated and Newly Constructed

(a) Overview

There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.

Housing selected for this type of assistance may not, at a later date, be selected for PBV assistance as existing housing.

In order to offer PBV assistance in rehabilitated or newly constructed units, the PHA must enter into an Agreement to enter into HAP contract (AHAP) with the owner of the property. The AHAP must be in the form required by HUD [24 C.F.R. 983.152(a)].

(b) In the AHAP the owner agrees to develop the PBV contract units to comply with HQS, and the PHA agrees that upon timely completion of such development in accordance with the terms of the AHAP [24 C.F.R. 983.152 (c)], the PHA will enter into a HAP contract with the owner for the contract units [24 C.F.R. 983.152(b)].

The AHAP must be executed promptly after the PHA notice of proposal selection to the selected owner. However, the PHA may not enter into the AHAP with the owner until the subsidy layering review is completed. Likewise, the PHA may not enter into the AHAP until the environmental review is completed and the PHA has received environmental approval.

DHA will enter in the AHAP with the owner within 10 business day of receiving both environmental approval and notice that subsidy layering requirements have been met.

(c) Conduct of Development Work-Labor Standards [24 C.F.R. 983.154(b)]

If an AHAP covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the AHAP will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 C.F.R. part 5, and other applicable federal labor relations laws and regulations. The PHA must monitor compliance with labor standards.

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and the implementing regulations at 24 C.F.R. 135. The owner must also comply with federal equal employment opportunity requirements.

(d) Owner Disclosure [24 C.F.R. 983.154(d) and (e)]

The AHAP and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the AHAP, the HAP contract, or HUD regulations.

(e) Completion of Housing

The AHAP must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The AHAP must also specify the deadline for submission by the owner of the required evidence of completion.

At a minimum, the owner must submit the following evidence of completion to DHA in the form and manner required:

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

Owner certification that the owner has complied with the labor standard and equal opportunity requirements in the development of the housing.

At the PHA's discretion, the AHAP may specify additional documentation that must be submitted by the owner as evidence of housing completion.

DHA will specify any additional documentation requirements in the Agreement to enter into HAP contract.

(f) Acceptance of Completed Units

Upon notice from the owner that the housing is completed will inspect to determine if the housing has been completed in accordance with the AHAP, including compliance with HQS and any additional requirements imposed under the AHAP, DHA will determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the AHAP, DHA will not enter into the HAP contract.

If the PHA determines the work has been completed in accordance with the AHAP and that the owner has submitted all required evidence of completion DHA will submit the HAP contract for execution by the owner and must then execute the HAP contract.

DHA entered into an AHAP for 28 PBV on the Colorado Commons project located at 1601 Colorado Boulevard after receiving HUD approval.

Properties Under PBV HAP Contract:

1601 Colorado Apartments: 1601 Colorado Blvd - Dominion - 28 vouchers
Aromor Apartments: 1309 Grant St. - Mercy Housing - 66 vouchers
Cornerstone Residences: 1001 Park Ave West - Archway Housing & Services - 50 vouchers
Renaissance Uptown Lofts: 1509 Pearl St - Colorado Coalition for the Homeless (CCH) - 50 vouchers
Veterans Apartments (**VASH**): 2635 Federal Blvd - Del Norte Neighborhood Dev Corp (DNND) - 26 vouchers
Thomas Bean Towers: 2350 Cleveland Place - Thomas Bean Towers, LLP - 28 vouchers
Globeville Townhomes Phase I: 351 East 51st Ave - Globeville Partnership I - 10 vouchers
Globeville Townhomes Phase II: 351 East 51st Ave - Globeville Partnership II - 4 vouchers
Renaissance Stout Street Lofts: 2180 Stout St - CCH - 25 vouchers
Central Park at Stapleton: 2506 Central Park Blvd - Northeast Denver Housing Center - 5 vouchers
Fourth Quarter Residences: 3150 Downing St - Burgwyn Company - 11 vouchers
Roanoke Apartments: 321 East 11th Ave - Mental Health Center of Denver (MHCD) - 18 vouchers
Vine Street Apartments: 2495 South Vine St - MHCD - 21 vouchers
1135 Logan Street Apartments: 1135 Logan St - DNND - 18 vouchers
Saxony Apartments: 1275 Corona St - DNND - 26 vouchers
Renaissance at Lowry Blvd Apartments: 550 Alton Way - CCH - 25 vouchers
Renaissance at Blue Spruce Townhomes: 7300 East Severn Place - CCH - 25 vouchers
Boulevard Garden Apartments: 2940 South Federal Blvd - Affordable Communities Inc. - 8 vouchers
La Grace Apartments: 1642 Pearl St - Northeast Denver Housing Center - 7 vouchers
Renaissance at North Colorado Station (**VASH**): 3999 N Colorado Blvd - CCH - 26 vouchers
Parkhill Station Apartments: 4055 N Albion St - Del West - 33 vouchers
Ruby Hill Residences: 1144 South Pecos St - Burgwyn Company - 85 Vouchers (includes 28 **VASH** vouchers)
Northfield@Stapleton Apartments: 7955 E Northfield Blvd. - Northeast Denver Housing Center - 40 vouchers
Mariposa VIII: 1040 Osage St - Mariposa Partners VIII LLLP - 11 vouchers
Mariposa VII: NWC of 9th & Mariposa - Mariposa Partners VII LLLP - 31 vouchers
Ashley Union Station Apartments: 1850 Chestnut Place - The Integral Group - 7 vouchers
The Meadows at Montbello: 4325 Carson St - Volunteers of America - 35 vouchers
Ash Street Apartments: 1170 Ash St - Mile High Development/Koelbel and Co. - 8 vouchers
Sanderson Apartments: 1601 South Federal Blvd. - MHCD - 30 vouchers
Westwood Crossing: 3390 West Alameda Ave - McDermott Properties - 7 vouchers
Saint Francis at Cathedral Square: 1450 N. Washington St - St Francis Center - 25 vouchers
Renaissance Downtown Lofts: 2075 Broadway - CCH - 50 vouchers
Boulevard One Residences: 6756 Archer Pl - DHA and VOA - 33 vouchers
Arroyo Village: 3450 W. 13th St. - The Delores Project and Rocky Mountain Communities - 35 vouchers

The Colburn Hotel: 980 Grant Street – Colburn LLC – 88 vouchers
Moline@Stapleton (**VASH**): 2820 N. Moline St – Northeast Denver Housing Center – 11 vouchers

PBV Project - Pipeline:

Vida at Sloans: 4017 W. Colfax Ave. - DHA – 111 vouchers
Brandon Courtyard Apartments (**VASH**): 1555 Xavier St. – VOA – 13 vouchers
Platte Valley Homes: 3411 Arapahoe Street – Platte Valley Homes LLLP (DHA) – 18 vouchers
Sheridan Station West Apartments – 5330 W. 11th St. – Mile High Development – 8 vouchers
Walnut Street Lofts: 3789 Walnut Street – Medici – 7 vouchers
Gateway North (Sun Valley): Gateway North Housing Partners, LLLP (DHA) - 1025 Decatur Street – 43 vouchers
The Colburn Hotel: 980 Grant Street – Colburn LLC – 3 vouchers
Olin Hotel Apartments: 1420 Logan St – Senior Housing Options – 5 vouchers
Laradon Phase II: 5200 Lincoln St – Gorman & Co. – 16 vouchers
655 Broadway Project: Blake & Broadway Partners LLLP (DHA) – 36 vouchers
Charity House: 3026 Welton Street - Community Outreach Service Center – 36 vouchers
Shoneshona Project: 3220 Shoshone – DHA – 10 vouchers

12.5 Housing Assistance Payments ("HAP") Contract

(a) DHA must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payment for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. The HAP contract must be in the form required by HUD.

(b) HAP Contract Requirements

The HAP contract must specify the following information:

The total number of contract units by number of bedrooms;
The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 C.F.R. part 8;
The HAP contract term;
The number of units in any building that will exceed the 25 percent per building cap, which will be set-aside for occupancy by qualifying families; and
The initial rent to owner for the first 12 months of the HAP contract term.

c) Execution of the HAP Contract

The PHA may not enter into a HAP contract until each contract unit has been inspected and the PHA has determined that the unit complies with the Housing Quality Standards (HQS). For existing housing, the HAP contract must be executed promptly after the PHA selects the owner's proposal and inspects the housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after the PHA has inspected the completed units and has determined that the units have been completed in accordance with the agreements to enter into HAP, and the owner furnishes all required evidence of completion. In the HAP contract, the owner certifies that the units have been completed in accordance with the Agreement.

For existing housing, the HAP contract will be executed within ten (10) business days of determining that all units pass HQS.

For rehabilitated or newly constructed housing, the HAP contract will be executed within ten (10) business days of determining that the units have been completed in accordance with the agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

(d) Term of HAP Contract

DHA will enter into a HAP contract with an owner for an initial term of no less than one year and no more than twenty (20) years. The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis. DHA may request that as part of the selection process, owners offer to accept any extensions of the contract term that DHA may offer. HAP contracts previously entered into with an initial term of less than twenty (20) years may be extended up to twenty (20) years with mutual agreement. Extension must occur before the expiration of the HAP contract.

Within two years before expiration of the HAP contract, DHA may extend the term of the contract for an additional term of up to twenty (20) years if DHA determines an extension is appropriate to continue providing affordable housing for low-income families. Any further extensions may be considered within two years before the expiration of the extended HAP contract. When determining whether or not to extend an expiring PBV contract, DHA will consider several factors including: 1) The cost of extending the contract and the amount of available budget authority; 2) The condition of the contract units; 3) The owner's record of compliance with obligations under the HAP contract and lease(s); 4) Whether the location of the units continues to support the goals of de-concentrating poverty and expanding housing opportunities; and 5) Whether the funding could be used more appropriately for tenant-based assistance.

(e) Termination by PHA [24 C.F.R. 983.205(c)]

The HAP contract provides that the term of the PHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by DHA in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance

payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, DHA may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

Families impacted by the termination will be issued a Housing Choice Voucher to search for housing. In the event vouchers are unavailable, families will be placed on a waiting list based on name and given priority based on contract termination date. Families with the same name and termination date will be given priority based on housing assistance funding.

(f) Termination by Owner [24 C.F.R. 983.205(d)]

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to the DHA. In this case, families living in the contract units must be offered tenant based assistance.

(g) Remedies for HQS Violations [24 C.F.R. 983.207(b)]

DHA will not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If DHA determines that a contract does not comply with HQS, the DHA may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

(h) Amendments to the HAP Contract

1) Substitution of Contract Units:

The HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Before any such substitution can take place, DHA or must inspect the proposed unit and determine the reasonable rent for the unit.

2) Addition of Contract Units:

At DHA's discretion and subject to the restrictions on the number of dwelling units that can receive PBV assistance per building and on the overall size of DHA's PBV program, a HAP contract may be amended to add additional PBV units in the same building. This type of amendment is subject to all PBV program requirements except that a new PBV proposal is not required. All amendments will require approval from DHA's Board of Commissioners.

(i) HAP Contract Year Anniversary and Expiration Dates

When the owner executes the HAP contract she/he certifies that at such execution and at all times during the term of the HAP contract:

All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;

The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;

Each contract unit for which the owner is receiving HAP, is leased to an eligible family, and the lease is in accordance with the HAP contract and HUD requirements;

To the best of the owner's knowledge the family resided in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;

The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother or any member of a family residing in a contract unit;

The amount of the HAP the owner is receiving is correct under the HAP contract;

The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;

Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and

The family does not own or have any interest in the contract unit.

(j) Vacancy Payments

DHA will not provide vacancy payments in the PBV Program.

12.6 Occupancy

With respect to initial occupancy of a PBV project, eligible in-place families will be given an absolute selection preference. If the in-place family is participating in the tenant-based program and that family is otherwise eligible for the PBV unit, the family can be admitted into the PBV program provided that it is willing to enter into a new one-year PBV lease for the unit. If the family is not willing to enter into a new lease, the family must use its voucher to locate other housing.

The PBV owner will maintain a waiting list for any PBV site.

Unit Criteria and Preferences:

The PBV owner must provide to DHA any recommended criteria or preferences for occupancy of particular units and must publicly display such criteria or preferences (including the criteria for any excepted units) at the building site and at any location where applications are taken or processed. The DHA must adopt any criteria and preferences for occupancy of particular units in writing, in advance of their display and use. Preferences must be provided in accordance with PBV regulations at 24 CFR 983.251.

Owner Procedures:

The owner must lease contract units only to eligible families referred to DHA from the proper project's waiting list.

Referrals to Accessible PBV Units:

If an applicant or participant family in the tenant-based voucher program has need for an accessible unit because it contains a member with mobility impairment, DHA may refer the family to any PBV owner with a vacant accessible unit or an accessible unit that is not occupied by a person with disabilities that requires such a unit.

Filling Vacancies in Conjunction with Site-Based Waiting Lists:

The owner will notify DHA of any vacancy and make appropriate referrals of pre-screened applicants from their current wait list.

Approved Referral

(i) Family Briefing

When a family accepts an offer for PBV assistance, DHA must give the family a program orientation. The orientation must provide information on program requirements and responsibilities of the family and owner. In addition to the orientation, DHA must provide an orientation packet that explains how DHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

(ii) Persons with Disabilities

Refer to Section 3.2: Admissions and Occupancy Policies.

(iii) Persons with Limited English Proficiency

Refer to Section 3.27: Admissions and Occupancy Policies.

(b) Owner Selection of Tenants

The landlord/owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease.

1) Leasing

During the term of the HAP contract, the owner must lease contract units to eligible families that have been approved by DHA. The contract unit leased to the family must be leased in the appropriate size unit of the family, based on DHA's subsidy standards.

The tenant must have a legal capacity to enter into a lease under state and local law. The tenant and the landlord/owner must enter into a written lease agreement that is signed by both parties. If a landlord/owner uses a standard lease form for rental units to unassisted tenants in the locality or

premises, the same lease must be used for assisted tenancy, except that the lease must include a HUD-required tenancy addendum. If the landlord/owner does not use a standard lease for rental to unassisted tenants, the owner may use another form of lease. DHA will review the landlord/owner's lease to determine if the lease complies with state and local law. If DHA determines that the lease does not comply with state or local law, DHA will deny the approval of tenancy.

The term of the lease must be for one year. Upon the expiration of the lease, the landlord/owner may renew, refuse to renew the lease for "good cause", or refuse to renew the lease without good cause. If the landlord/owner refuses to renew the lease without good cause, DHA must provide the family with tenant-based voucher and remove the unit from the PBV HAP contract.

If the tenant and landlord/owner agree to any change in the lease, the change must be in writing, and the owner must immediately give DHA a copy of all changes. The landlord/owner must notify DHA in advance of any proposed change(s) in the lease regarding allocation of utility responsibility. This change must be approved by DHA. DHA must re-determine reasonable rent, in accordance to program requirements.

2) Filling Vacancies

The landlord/owner must promptly notify DHA of any vacancy or expected vacancy in a contract unit. DHA and the owner must make reasonable efforts to minimize the likelihood and length of any vacancy.

3) Reduction in HAP Contract Units Due to Vacancies

If any contract units have been vacant for 120 or more days since the landlord/owner have given notice to DHA, DHA may give notice to the landlord/owner amending the HAP contract to reduce the number of contract units by subtracting the number of units, based on bedroom size.

(c) Tenant Screening

1) DHA Responsibility

DHA is not responsible or liable to the landlord/owner or any other person for the family's behavior or suitability for tenancy. DHA is responsible for determining eligibility.

DHA will upon request provide the landlord/owner with the family's current and prior address (as shown in DHA's record) and the name(s) and addressees (if known by DHA) of the family's current and previous landlords.

DHA may also provide the owner other information about the family, including: the tenancy history of family members.

DHA must provide the applicant a description of DHA policy on providing information to owners. DHA must also provide the same type of information to all owners.

- 2) The owner is responsible for screening and selection of the family to occupy the landlord/owner's unit. When screening families the landlord/owner may consider a family's background with respect to the following factors:

Payment of rent and utility bills;
Caring for a unit and premises;
Respecting the rights of other residents to the peaceful enjoyment of their housing;
Drug-related, or violent related, or other related criminal activity that is a threat to the health, safety, or property of others; and/or
Compliance with other essential conditions of tenancy.

(d) Moves

- 1) Over-Housed, Under-Housed, and Accessible Units

If DHA determines that a family is occupying a wrong size unit, based on DHA's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, DHA must promptly notify the family and the landlord/owner of this determination and offer the family the opportunity to receive continued housing assistance in another unit.

If DHA offers the family a tenant-based voucher, DHA must terminate the housing assistance payments for a wrong-sized or accessible unit at the term of lease.

If DHA offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move-out of the PBV unit within a reasonable time as determined by DHA, or both, DHA must terminate the housing assistance payments for the unit at the expiration of a reasonable period determined by DHA.

- 2) Family Right to Move

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of the notice to vacate to DHA. If the family opts to move with continued tenant-based assistance, the family must contact DHA to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, DHA is required to offer the family the opportunity for continued tenant based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If a voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, DHA must give the family priority to receive the next available opportunity for continued tenant-based assistance.

If the family terminates the lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

(e) Tenancy/Terminations

The landlord/owner will follow HUD regulations regarding assisted tenancy and terminations.

(f) Utility Allowances

The utility allowance schedule used for the PBV Program will be the same as is used for the Housing Choice Voucher Housing Choice Voucher Program. Revised schedules will be implemented at the time of participant re-examination.

(g) New Admissions

Seventy-five (75) percent of new admissions will be at or below 30% of the area median income.

(h) Excepted units for families receiving supportive services

The following provisions are applicable to excepted units not counted against the 25% per building cap because they are specifically available for families receiving supportive services.

In addition to DHA or DHA-approved programs, supportive services that can meet the supportive services requirement for an excepted unit include but are not limited to:

- 1) Referral to support services including but not limited to disabled services, medical/dental services, food banks, nutrition programs, transportation, mental health and substance abuse programs, etc.
- 2) Education counseling-referral to education resources
- 3) Job readiness and referral to workforce centers
- 4) Financial fitness education referral
- 5) Maintain up to date Referral Manual to Supportive Services in the Metro Area

(1) Extent of supportive services:

The owner must provide the following:

- 1) Development of a Support Service Plan (SSP) for at least one family member. The SSP is a required document to assist the participant in the accomplishment of goals that will lead to self-sufficiency or to acquire needed support services.
- 2) Complete a Support Service Contract of Participation for each participant
- 3) Maintain monthly contact with each participant with documentation in files to measure progress in reaching goals
- 4) Provide to DHA a report due on January 15 annually summarizing support services provided to eligible participants

The supportive services may be provided directly by the owner or by independent agencies. The type of supportive services to be provided shall be indicated in the PBV Contract. In an enforceable

attachment to the PBV Contract, the owner must specify the type of supportive services to be provided, the frequency with which they will be provided and, if appropriate, a time frame by which the family must complete the supportive service requirements. The supportive services to be provided must be significant to meet the supportive service requirement. The DHA must approve the level of effort and frequency of services to be provided.

The owner must provide documentation of a family's continued participation in supportive services until such time as the family meets its supportive services requirement.

(2) Statement of Family Responsibility:

If a family will be provided FSS services, the family must complete an FSS Contract of Participation.

If a family will be provided services other than DHA FSS services, the head of household and the owner or owner's representative must sign a supportive services statement of family responsibility that is approved and counter-signed by the DHA.

The statement of family responsibility will indicate what supportive services will be provided to the family, which family members must participate in the supportive services and the degree and length of participation required. The family and owner will, by signing the statement of responsibility, acknowledge that failure to meet the supportive service requirements will result in termination of the family's participation in the Housing Choice Voucher program.

(3) Monitoring supportive services:

- 1) DHA will conduct an annual audit of participant files to assess social service compliance.
- 2) DHA will notify the Contractor of any deficiencies with a timeframe for correction.
- 3) DHA will cancel PBV Contract for non-compliance as needed.

Owner Failure to Provide Supportive Services:

If the owner fails to meet the supportive service requirements of the PBV Contract, the DHA shall allow the owner 60 days to reinstate the required services. If the services are not reinstated within 60 days, the DHA shall terminate the PBV Contract for the excepted units upon 60 days' notice to the owner.

Change in Supportive Service Requirements:

The owner may negotiate with DHA to change the supportive service requirements of an ongoing contract through a contract amendment, but the owner must continue to meet the requirements of the Extent of Supportive Services stated in paragraph (h)(1) above.

Family's Failure to Meet Supportive Service Requirements:

If a family residing in an excepted unit fails without good cause to fulfill its supportive services requirement, the family may be terminated from the PBV program. The family shall receive the

normal opportunity to request an informal hearing and receive a decision prior to any such termination. DHA may require that the owner attend the hearing.

DHA shall notify the owner of its intention to terminate the family at the same time it notifies the family.

If the family is terminated due to its failure to meet supportive service requirements, the family shall not be provided tenant-based assistance. Any existing application for tenant-based assistance will remain on file and will be processed in normal sequence.

(4) Excepted Units and Substitution Policy:

If a family while a resident of an excepted unit received FSS or other supportive services in accordance with the owner's and DHA's policy and the PBV Contract and the family completes the FSS or other supportive services requirements, the family may remain in the excepted unit. For as long as the family remains in the unit, the unit shall be counted as an excepted unit under the terms of the PBV Contract.

If the family no longer meets the criteria for a "qualifying family," that is, if the family does not complete the FSS contract of participation or the family fails to meet its supportive services requirement as set forth in the supportive services statement of family obligations, or if the remaining members of a family no longer qualify for elderly or disabled family status, DHA shall require the family to vacate the unit within 60 days and shall provide a copy of this notice to the owner. The family is not eligible for a tenant-based voucher.

DHA also will provide 60 days' notice to the family and the owner of its intention to terminate PBV assistance for the family and the unit, provided that DHA may provide housing assistance payments for an additional 60 days if the reason the family no longer meets the definition of a "qualifying" family is not the fault of the family. If the family still remains in the unit after the HAP has been terminated, DHA shall notify the owner of its intent to remove the unit from the PBV Contract by contract amendment. The removal shall take effect promptly after termination of the housing assistance payments.

The owner may offer a substitute unit for PBV if he does not wish to evict the tenant, but the substitute unit must be available and pass inspection by the proposed date of the removal of the unit from the PBV Contract. DHA and the owner shall execute a contract amendment to delete the unit from the PBV Contract unless the family has moved from the unit by that date. If a substitute unit has been designated by the owner and found acceptable by DHA, the substitute unit may replace the terminated unit by contract amendment.

12.7 Determining Rent to Owner

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP contract states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract the rent to owner is re-determined at the owner's request in accordance with program requirements, and at such time that there is a 5% or greater decrease in the published FMR. If an owner requests an increase in rent, it must be requested at the annual anniversary of the HAP contract. The request must be in writing and submitted 60 days prior to the anniversary date of the HAP contract. DHA will not approve any rent increase to owner until the HQS and rent reasonableness are completed. If there is a decrease in the rent to owner due to changes in the FMR or payment standards, or rent reasonableness, the rent to owner must be decreased. Except for certain tax credit units [24 C.F.R. 983.301], the rent to owner must not exceed the lowest of the following amounts:

An amount determined by DHA for the unit bedroom size minus any utility allowance;
The reasonable rent, and The rent requested by the owner.

At the time of the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by DHA. DHA will re-determine the reasonable rent for a unit receiving PBV assistance if:

There is a 5% or greater decrease in the published FMR in effect 60 days before the contract anniversary as compared with the FMR that was in effect one year before the contract anniversary date; DHA approves a change in the allocation of responsibility for utilities between the owner and the tenant, and The HAP contract is amended to substitute a different contract unit in the same building.

12.8 Payments to Owner

(a) Housing Assistance Payments

DHA must make housing assistance payments to the owner in accordance with the terms of the HAP contract. The housing assistance payment will be paid to the owner on or about the first of the month for which payment is due. DHA will not make payment to the owner for any month after the month when the family moves out of the unit. The amount of the housing assistance payment is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance). In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract.

If a participant moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. Vacancy payments will not be made for vacant units under the DHA PBV Program.

(b) Tenant Rent to Owner

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by DHA in accordance with HUD requirements stated in Section 4.12. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by DHA. DHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit.