

PORT JERVIS COMMUNITY DEVELOPMENT AGENCY

134 Pike Street, 2Floor
P.O. Box 1002
Port Jervis, New York 12771
845-858-4024 / Voice
845-858-4027 / FAX
PJCDA@frontiernet.net / e-mail

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

5-Year Administrative Management Plan

ADOPTED: August 1, 1979

REVISION NO. 12 June 21, 2018

TABLE OF CONTENTS

I. STATEMENT OF OVERALL APPROACH AND STRATEGY

II. ADMINISTRATION OF PROGRAM FUNCTIONS

A. OUTREACH TO FAMILIES & PROPERTY OWNERS/MANAGERS

1. Outreach to Extra Low Income (ELI) and Very Low (VLI) and Families
2. Outreach to Residents Least Likely to Apply
3. Outreach to the Persons with Disabilities
4. Outreach to Property Owners & Local Realtors
5. Affirmatively Furthering Fair Housing
6. Assistance to Families Claiming Discrimination
7. Preferences
8. Opening the Waiting List
9. Updating the Waiting List
10. Removal from Waitlist

B. DETERMINE ELIGIBILITY AND SELECT FAMILIES

1. Family Income & Eligibility
2. Tenant Selection
 - a) Displaced Persons
 - b) Remaining Family Member
 - c) Live-In Aides
 - d) Zero Income Families
 - e) Changes for Participants
 - f) Definition of Groups of Persons That May Qualify as a Family
 - i.) A participant with or without children.
 - ii.) Children temporarily absent
 - iii.) An unborn child and children in the process of being adopted
 - iv.) In cases where a parent has joint custody
 - v.) Elderly Family
 - vi.) Disabled Family
 - vii.) Single person
 - g) Family Guests
3. Denials for Program Admission
 - a) Prohibition of Full-Time Students
 - b) Additional Family Members
 - c) Preponderance of Evidence

C. VERIFICATION OF INCOME, IDENTITY AND DETERMINATION OF TOTAL TENANT PAYMENT (TTP)

1. Required Documentation
 - a) Social Security
 - b) Birth Certificate
 - c) Immigration Status

2. Verification Process
 - a) SAVE System
 - b) Third-Party Verification
 - c) Other Verification
 - d) EIV System and 90-Day Report

D. ENROLLMENTS

1. Enrollment Interview Process
2. Issuance/Extension of the Section 8 Housing Choice Voucher
3. Housing Voucher Subsidy/Payment Standards

E. HOUSING QUALITY & OCCUPANCY STANDARDS

1. Housing Quality Standards (HQS) Inspections
 - a) 24-Hour Fixes
2. Abatements
3. HUD Occupancy Standards

F. SECTION 8-ASSISTED HOUSING TYPES

1. Prohibition Against Duplicate Subsidies

G. DISAPPROVAL OF OWNER PARTICIPANTS

H. REVIEW OF LEASES, EXECUTION OF HUD LEASE ADDENDUMS AND HOUSING VOUCHER CONTRACTS & RENT REASONABLENESS

1. Leases/Addendums/Contracts
2. Rent Reasonableness
3. Security Deposits

I. HOUSING ASSISTANCE PAYMENTS

1. HAP Payments
2. 1099 Forms
3. Uncashed HAP Payments
4. Breach of Contract

J. FILE RETENTION

1. Applicant/Tenant
2. Permanent File Documents
3. Participant Moves
4. Criminal Records

K. ANNUAL RECERTIFICATION

1. Interim Recertification
2. Zero Income Families
3. Temporary Absences from the Section 8-assisted Unit
4. Violence Against Women Act (VAWA) and Justice Department Reauthorization Act of 2005

L. RENT ADJUSTMENTS

M. REVIEW OF HOUSING VOUCHER PAYMENT STANDARDS

1. Applicable Payment Standard Schedules
2. Reviews and Changes to Applicable Payment Standards
3. Minimum Rents

N. TERMINATIONS

1. Termination for Cause

O. REIMBURSEMENT FOR PHA OVERPAYMENTS

1. Repayment Agreements

P. FAMILY MOVES AND PORTABILITY

1. Family Moves within the PJCDA Jurisdiction
2. Portability Outside the PJCDA Jurisdiction

Q. COMPLAINTS AND APPEALS

1. Informal Fair Hearings and Reviews

R. MONITOR AND ASSESS PROGRAM PERFORMANCE

S. FAIR HOUSING & EQUAL OPPORTUNITY

T. OUTSTANDING HOUSING PERFORMANCE

III. SPECIAL PURPOSES FUNDING

A. SECTION 8 FUNDING

B. OTHER FEDERAL AND STATE ASSISTED HOUSING PROGRAMS

1. Section 8 Funding
2. Section 8 Homeownership

IV. PROGRAM STAFFING AND ADMINISTRATION

A. SECTION 8 PROGRAM STAFFING & JOB RESPONSIBILITIES

B. PROGRAM ADMINISTRATION

C. THE PJCDA BOARD OF DIRECTORS, AGENCY POLICIES & PROGRAM OVERSIGHT

PORT JERVIS COMMUNITY DEVELOPMENT AGENCY
Section 8 Housing Choice Voucher Program

5-Year Administrative Management Plan

I. STATEMENT OF OVERALL APPROACH AND STRATEGY

Since 1979, the Port Jervis Community Development Agency (PJCD A) has been serving as the local administrator of the City of Port Jervis Section 8 Housing Programs. The PJCD A is a Public Housing Authority (HUD PHA NY-134) which was established to provide decent and safe rental housing for eligible income families. Since July 1, 2003, the PJCD A has administered the City's Section 8 Housing Choice Voucher by providing rental assistance to extra low income (less than 50% of the Orange County, NY Area Median Income) families residing in the Port Jervis community. Currently, the PJCD A is assisting approximately 196 extra or very low income families under Section 8 leases.

As important components of its Section 8 Program, the PJCD A administers two special programs; the Family Self-Sufficiency (FSS) Program and the Section 8 Homeownership program. The FSS program links the rent subsidies of extra low income (ELI) families with supportive services including job training, education, family/career counseling, child care, transportation and affordable access to health care services. The goals of the FSS Program is to empower families to achieve family stability and financial independence through housing assistance, as combined with support services.

The Section 8 Homeownership program allows families to convert their rental voucher to mortgage assistance. The administrative rules governing this program are contained in Section III-B.

Through this 5-Year Administrative Management Plan, the PJCD A seeks to ensure that ELI families will be financially able to move into or continue to live in decent, safe and sanitary housing with the assistance of the Section 8 Program. Moreover, the objective of assuring adequate housing conditions for families receiving Section 8 assistance addresses the needs of residents of the entire City by:

- increasing the supply of decent housing for very low income (VLI) (50% HUD established of median income) and extra low income families (ELI) (30% of HUD established median income);
- providing rent subsidies for families meeting these guidelines who may not otherwise be able to obtain safe affordable housing;
- assuring the de-concentration of housing for persons of Low (LI) and extra low incomes (ELI);
- expanding housing choice among VLI tenant families, homeowners and first-time homebuyers and offering Section 8 participants the Section 8 homeownership program;

- promoting Fair Housing practices for the benefit of all citizens, with priority afforded to LMI and minority families who are the most likely citizens to experience exclusion from the private housing market. Through multiple advertising outlets, the PJCDA continues to reach out to those families who would be the least likely to apply for housing assistance.

II. ADMINISTRATION OF PROGRAM FUNCTIONS

Section 8 Program functions performed by the PJCDA are designed to:

- A. provide outreach to families and property owners/managers;
- B. determine eligibility, select families, provide assistance to families with special needs and conduct rulings for denying program admissions;
- C. verify income, assets, family composition, allowances, and other pertinent data to determine an applicant's total tenant payment (TTP);
- D. brief approved applicants on their rights and responsibilities as program participants and issue Section 8 Housing Choice Vouchers;
- E. determine the quality of housing selected by program participants;
- F. establish and maintain policies regarding Section 8 assistance;
- G. establish procedures and policies for disapproval of owner participants;
- H. prepare and issue HUD Lease Addendums and Housing Voucher Contracts on behalf of participant families;
- I. process rent subsidy payments to owners of assisted units;
- J. follow a program of annual and interim evaluations and provide ongoing assistance to participant households regarding housing, educational, social, health and economic issues and make referrals to other social service agencies, as appropriate;
- K. review and approve annual rent adjustments based on tests of rent reasonableness;
- L. monitor the PHA's Housing Voucher Payment Standards to ensure they are at appropriate levels for participant families;
- M. terminate ineligible households that do not meet eligibility criteria for continued program participation and/or due to non-compliance of HUD program regulations;

- N. establish reimbursement policies for overpayments made by the PJCDA on behalf of participant families;
- O. render assistance to families relocating to other housing units within the City of Port Jervis and outside the City to other PHA jurisdictions in accordance with the provisions of portability;
- P. receive and act on complaints and appeals from participant households;
- Q. monitor and assess program performance;
- R. ensure compliance with Fair Housing and equal opportunity laws and provisions;
- S. achieve outstanding housing performance and goals

A. OUTREACH TO FAMILIES & PROPERTY OWNERS/MANAGERS

1. Outreach to Extra Low Income (ELI) and Very Low (VLI) and Families

An Application Form, Tenant Briefing packet and a PowerPoint presentation has been prepared to aid in the outreach to income eligible families needing housing assistance and to brief families on the rules and regulations of program application, eligibility and participation.

The application form is used to collect the necessary data pertaining to income, assets, family composition, and allowances and deductions for determining eligibility. Along with the application and in accordance with HUD regulation's, the PJCDA will also require a completed HUD Supplemental Form 92006. The application form also contains other data that will determine a family's need for special assistance.

In accordance with HUD regulations, the PJCDA will give priority to families and persons with total household incomes that are at or below 30% of Area Median Income. Furthermore, the PJCDA will conduct special outreach and direct contacts to achieve a minimum 75% applicant pool of families having the greatest financial need, e.g., less than 30% of Orange County Median Income.

As an active, dues paying member of the Orange County Housing Consortium, the PJCDA maintains a network of some 51 social service agencies and housing providers. Through this network, the PJCDA increases public awareness of the Section 8 Program and provides an ongoing referral system that continually attracts the public's attention to the benefits of Section 8 housing assistance.

The number and nature of the applications received are monitored to ensure all VLI families are provided the opportunity to apply and a reasonable waiting list is maintained. The PJCDA will open and close the waitlist according to HUD guidelines and approval. The

PJCDA staff members assist Section 8 applicants and participant families with finding and securing safe, decent and affordable housing, negotiating fair and reasonable rents, ensuring the removal of impediments for the benefit of handicapped/disabled renters and counseling families regarding their rights and responsibilities under Federal Fair Housing Law.

2. Outreach to Residents Least Likely to Apply

The PJCDA is committed to reaching the groups, families or individuals least likely to apply for housing assistance in Port Jervis. The PJCDA will conduct outreach such as contacts with housing and social service agencies, local church groups and other community-based organizations to broaden the PJCDA's outreach network, increase awareness among the City's disenfranchised population and encourage those that are income eligible to apply. In aiding non-English speaking members of the community, the PJCDA will have a translator to assist when needed.

3. Outreach to the Persons with Disabilities

An important element of the PJCDA's outreach program is the promotion of housing choice for Section 8-assisted families with disabilities. Special efforts are made to assist disabled/handicapped families and persons in securing housing that is free of architectural barriers including units that are equipped with:

- Ramps, safety bars, ADA-compliant doors, kitchen and bath facilities
- Special devices for the hearing and/or sight impaired; and
- Safety mechanisms, e.g. intercom system, pull cords and other devices to aid frail elderly and wheelchair-dependent persons in the event of an emergency

The PJCDA will link disabled/handicapped families with units that are specially equipped to their needs through contacts with area property owners, managers, and community-based organizations that may be aware of the availability of special housing to accommodate disabled/handicapped persons and families. The PJCDA will also endeavor to place hearing and sight-impaired persons in units containing smoke-detector alarm devices which can alert these families for quick response of ingress and egress in the instances of a fire emergency. If needed, the PJCDA will secure services for hearing-impaired applicants at no cost to them.

The PJCDA's outreach program is adjusted, when necessary, to ensure a consistent flow of applications and to maintain a sufficient and adequate waitlist.

4. Outreach to Property Owners & Local Realtors

The PJCDA also maintains a network of investor owners and real estate brokers who list their rental units for occupancy to income eligible tenant family participants of the City's Section 8 Program. Section 8 staff maintains close communications with area property

owners/managers and realtors to draw their attention to the Section 8 Program and solicit their participation. These contacts are made to inform owners and realtors on the:

- functions of the Section 8 Program;
- benefits provided to owner participants;
- benefits and services provided to ELI families and;
- rights and responsibilities of owners as program participants.

Special efforts are also made to contact owners/managers and listing real estate agents of rental properties located outside the areas of low-income concentration to allow for economic integration of the Section 8 Program.

Owners are advised that screening and selection of Section 8 tenants is the responsibility of the owner and the PJCDA cannot offer assistance regarding the suitability of Section 8 families as prospective tenants. However, owners may request from the PJCDA the family's current address and documented information pertaining to prior landlords and past tenancies under the Section 8 Program and this information will be furnished to prospective owner participants, upon request. Furthermore, families will be advised of the PJCDA sharing this information with prospective owner participants.

Additionally, investors owners and rental property managers are encouraged to participate in all programs of the PJCDA including: (a) Section 8; (b) Small Cities CDBG; (c) HOME; and (d) Rural Development 504.

5. Affirmatively Furthering Fair Housing

In the provision of housing services and programs, the PJCDA promotes Fair Housing and Equal Opportunity and carries out its responsibilities pursuant to: Presidential Executive Order #11063 requiring equal opportunity in housing; The Fair Housing Act of 1968 - Title VIII; and The Americans with Disabilities Act (ADA).

It is the policy of the PJCDA to ensure that participating landlords and each of its local program offices fully comply with all Federal, State, and local nondiscrimination laws and the U.S. Department of Housing and Urban Development (HUD) regulations governing Fair Housing and Equal Opportunity. No person shall, on the grounds of race, religion, color, national origin, sex, marital status, age, disability, military status or sexual orientation be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any of its housing programs.

All Section 8 applicants at the time of briefing will be provided with the following documents:

- Fair Housing and Equal Opportunity booklet
- Anti-Discrimination form (903)
- Are You A Victim of Housing Discrimination? (Brochure)
- NYS Tenant Rights booklet

- NYS Fair Housing Attorney General Brochure

The PJCDA actively reaches out to local landlords to educate them regarding Fair Housing laws and conducts outreach programs to recruit additional landlords for expanding housing choice to program participants. The PJCDA will encourage landlords to list their properties in areas of low minority and poverty concentration. PJCDA will annually reach out to landlords within the City of Port Jervis for the purposes of educating and affirmatively furthering Fair Housing practices.

6. Assistance to Families Claiming Discrimination

The PJCDA will provide Federal/State/local information to applicants for and participants in the Section 8 HCV Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available at the time of briefing or upon request. The HUD Fair Housing Information and Discrimination Complaint Forms (Form 903) will be made available at the PJCDA office.

In addition, all appropriate written information and advertisements will contain the appropriate Equal Housing Opportunity language and logo.

The PJCDA will assist any participant who believes he/she has suffered illegal discrimination by providing him/her with copies of the housing discrimination form. The PJCDA staff will also assist the applicant/participant in completing the form, if requested, and will provide him/her with the address of the nearest HUD Office of Fair Housing and Equal Opportunity.

The PJCDA will advise families how to file a complaint if they believe they have been discriminated against by an owner. The PJCDA will advise the participant to make a Fair Housing complaint. The PJCDA may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing organization.

7. Preferences

All applicants who are currently residing in the jurisdiction of the PJCDA will receive a local preference for waitlist selection provided they can prove their residency by utility bill, school records, a copy of a lease, pay stub or bank statement or any other acceptable proof at PJCDA's discretion.

The PJCDA will provide a waitlist preference for non-elderly persons with disabilities transitioning out of institutional and other segregated settings, at serious risk of institutionalization, homeless, or at risk of being homeless.

8. Opening the Waiting List

When the PJCDA determines that there are an insufficient number of applicants on its waiting list, the PJCDA will advertise through public notice, the City website and any

available minority media within PJCDA's jurisdiction. The public notice will provide information on income and other general eligibility requirements; and contain the following:

- The dates, time, location, and other relevant contact information regarding where families may apply
- The specified period (if any) for which applications will be received by the PJCDA and a brief description of the program
- A statement that individuals with disabilities are eligible for the program and that reasonable accommodations will be made where necessary to ensure equal participation in housing assistance
- A statement affirming compliance with equal housing opportunity requirements and federal Equal Housing Opportunity Logo

In conjunction with opening the waiting list, the PJCDA is required to prepare an Affirmative Fair Housing Marketing Plan which addresses:

- Conducting outreach to advocacy groups (i.e., disability rights groups) on the availability of housing assistance
- Identifying and outreach methods to the population that is least likely to apply, both minority and non-minority groups, through various forms of media (i.e., radio stations, posters, newspapers) within the marketing area and through various community groups

9. Updating the Waiting List

The PJCDA will update its waiting list annually to ensure that the pool of applicants reasonably represents families still actively interested in Section 8 HCV assistance. Updating should also enable the PJCDA to update information regarding address, family composition, income category and preferences.

Before removing a non-disabled applicant family from the waiting list due to the applicant's failure to respond to the initial contact letter, a second letter must be mailed to the applicant. If the applicant does not respond to the second notice within ten (10) business days, the name of the applicant will be removed from the waiting list.

Extra effort will be made to contact disabled applicant's families that cannot be reached. If applicants designate contact information on 92006, that person/ organization before they are purged from the waitlist.

Letters must include the name and address of the applicant notified. The PJCDA will advise applicants to provide updated contact information in writing. Applicants will be

advised that they will be removed from the waiting list if they cannot be reached at the address provided on the initial application or most recent address change.

Contact letters returned by the Post Office as undeliverable will be grounds for removing an applicant from the waiting list. However, if a letter is returned by the Post Office with a forwarding address, the PJCDA will update the information on the computer and re-mail the letter to the new address.

10. Removal from Waitlist

The PJCDA will remove an applicant's name from the waiting list under the following conditions:

- The applicant requests, in writing, that his/her name be removed
- The applicant fails to respond to a written request for information within a specified timeframe
- Correspondence is returned by the Post Office as undeliverable
- The applicant misses a scheduled appointment/briefing without contacting this Agency
- The applicant does not meet either program eligibility or screening criteria

When an extenuating circumstance prevents an applicant from responding to the PJCDA's correspondence which resulted in the applicant being removed from the active waiting list and determined ineligible, reinstatement of the applicant shall be granted by PJCDA if there is acceptable documentation to show there was an extenuating circumstance such as:

- A death has occurred in the family;
- Hospitalization;
- Illness;
- Incarceration; and
- Other circumstances determined by the PJCDA.

This request must be made within 60 days of removal. Requests that are received after the 60 days period must be denied.

In no event will an applicant's name be held in abeyance on the active waiting list based on his/her representation that he/she is not ready to be processed when reached on the list.

Reinstatement requests based on extenuating circumstances will only be considered within 90 days of the date of the local administrator's correspondence.

Applicants' files must be retained for at least three years after the date an application is closed, withdrawn from the waiting list, or determined ineligible.

B. DETERMINE ELIGIBILITY AND SELECT FAMILIES

1. Family Income & Eligibility

As previously noted, applications are used to collect the information necessary to determine a family's eligibility for housing assistance under the Section 8 Housing Program. When the waitlist opens, applications will be made available by the procedure outlined in the public notice. Section 8 staff also reviews the information contained in all applications and make final rulings on income eligibility in accordance with HUD regulations. Applications are then logged according to date and time and are entered into the PJCDA Application/Waitlist Happy Software Program.

All applicants receive written notification of their eligibility. Eligible families are placed on the active waiting list on a first-come, first-serve basis. When selecting from the waitlist, special preference is allotted to persons and families with reported incomes at or below 30% of Orange County Area Median Income (Extra Low Income).

However, as the PJCDA has fifteen non-elderly disabled vouchers, there may be an exception to time and date guideline only when a slot becomes available for that criteria. If an applicant family is deemed ineligible, they are notified in writing. The letter will also contain information on how to request an informal review if they disagree with the PJCDA's decision. If an applicant family submits an incomplete application, or more information is needed, the family will be notified twice in writing before they are removed from the active waitlist.

To ensure applicant information contained in the PJCDA's records is current, applicants are informed to report any changes in address and/or telephone number in writing to safeguard their active status on the waiting list. Families are also briefed to report any changes in income, assets and family composition. Should an applicant family fail to respond within the prescribed time, on the second request, the application will be removed and placed in the PJCDA's inactive files. Once an application is ranked inactive the family loses their original place on the waiting list and must re-apply to the program (and be placed back on the waitlist for housing assistance when the list is open).

All eligible families are contacted, in writing, at the time a Section 8 Housing Choice Voucher becomes available and The PJCDA reaches their name on the active waiting list.

According to HUD regulation families are selected by the following criteria:

- 75% of applicants selected from the waitlist must have income at or below 30% of the Current Area Median Income (ELI).
- The other 25% must be at or below 50% of the Current Area Median Income (VLI).

2. Tenant Selection

As part of the PJCDA's processes for determining eligibility for participation, the PJCDA will conduct criminal background checks on all adult household members, including live-in aides. These checks will be used to identify circumstances under which assistance must be denied in accordance with the requirements of Section 982.553 of the program regulations.

All adult applicant family members will be required to sign a release of information which will authorize the PJCDA to access criminal records.

This check may be made through state or local law enforcement or court records in those cases where the household member has lived in the local jurisdiction for the last three years. The PJCDA will also check with the state sex offender registration program to determine if an individual is subject to a lifetime registration requirement as a state sex offender.

Additional screening is the responsibility of the owner. Upon the written request of a prospective owner, the PJCDA will provide any factual information, or third party written information they have relevant to a voucher holder's history of, or ability to, comply with material standard lease terms or any history of drug trafficking.

The PJCDA will not screen family behavior or suitability for tenancy. The PJCDA will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

All screening procedures will be administered uniformly, fairly and in such a way as not to violate rights to privacy or discriminate on the basis of race, color, nationality, religion, familial status, disability, sex or other legally protected groups.

When determining household type, the following definitions will be applied in accordance with HUD regulations:

- a) **Displaced Persons** are persons who have been displaced due to a government action or where the dwelling unit has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under federal disaster relief laws. This includes fire, flood, other natural disaster and a condemnation/violation order issued by the City Building Department.
- b) **Remaining Family Member** was determined to be an authorized family member during the tenancy, as follows:
 - an original family member,
 - added through family growth,
 - received the landlord's written permission to permanently reside in the unit.

- has lived in the unit for at least 12 consecutive months before the event that made them the remaining family member.

c) Live-In Aides are persons who reside with a disabled and/or handicapped person and meet the following criteria:

- is determined to be essential to the care and well-being of the person;
- is not obligated for the person's support;
- would not be living in the assisted unit except to provide necessary support and care giving services
- A doctor's note from a qualifying MD is needed for a live-in aid reasonable accommodation
- pre-existing household member does not qualify as a live-in aide.

d) Zero Income Families- Families reporting no income are eligible for admittance to the waitlist and zero income participant families are eligible continued assistance. Zero income participant's families may be required to certify quarterly of their continued zero income status and monthly expenses.

e) Changes for Participants

Family members eligible for addition to the household after the initial lease-up:

- Persons added to the participant family by birth or adoption (including minor children born to or adopted to Head of Household (HOH), but not residing in the household at the time of initial lease-up) or by court-awarded custody can be added. The family must notify the PJCDA immediately of the addition to household.
- All other persons, including adult children of the participant, may not be added to the household without prior written approval of the owner, and prior approval of the PJCDA. It is up to discretion of the PJCDA whether or not to add these adults into the household.

f) Definition of Groups of Persons That May Qualify as a Family

- i.) A participant with or without children. Such a family is defined as a group of people related by blood, marriage, adoption or affinity that lives together in a stable family relationship. A family may be a "non-traditional family" as defined in New York State law. Typically, a non-traditional family has a "long-term relationship and characterized by emotional and financial commitment and interdependence."
- ii) Children temporarily absent from the home due to placement in foster care are considered participant members.

- iii) An unborn child and children in the process of being adopted are considered participant members for purposes of determining bedroom size but are not considered participant members for determining income limit.
- iv) In cases where a parent has joint custody where the child/children reside with the parent at least 51% of the time, the PJCDA must consider such child/children in determining the voucher (unit) size for the participant. The 51% custody arrangement must be verified and documented. If both parents are participants in an assisted housing program, only one of the parents is allowed to claim the child/children as a dependent.
- v) Elderly Family - where the head of household, spouse or co-head of household is at least sixty-two (62) years of age.
- vi) Disabled Family - Is a family whose head of household, spouse or co-head having a disability as specified by the Social Security definition. Social Security definition of disability - the person must not be able to engage in any substantial gainful activity (SGA) because of a medically-determinable physical or mental impairment(s):
 - That is expected to result in death, or
 - That has lasted or is expected to last for a continuous period of at least 12 months.
- vii) Single person, who is not an elderly or displaced person, a person with disabilities or, the remaining member of a tenant family may qualify as a family.

g) Family Guests

Families are permitted to have a guest or guests in the household. If the guest resides in the unit for more than a total of 30 days (nonconsecutive) **or** 15 consecutive days in a calendar year, the guest(s) will be considered unauthorized household member(s) and their presence could be grounds for termination of assistance.

3. Denials for Program Admission

If joining an existing household, the PJCDA will deny assistance to a family or family member who has been flagged in the HUD EIV System and who:

- owes monies to the PJCDA due to program fraud and abuse or other violations of the Section 8 Program which has caused an overpayment of the family's Housing Assistance Payment (HAP) by the PJCDA;
- have been evicted from Public Housing or other federal/state assisted housing program;
- fail to sign and submit program participation forms including consent/authorization to release information or other documentation as required to determine a family's eligibility;

- have committed fraud, bribery, drug-related activity or other corrupt criminal act in connection with a federally-assisted housing program;
- Otherwise the PJCDA will deny assistance if a history of criminal activity by any household member involving crimes of physical violence against persons or property, or any other criminal activity, including drug-related criminal activity. However, if it has been at least three years since the conviction or service of sentence this criminal history will not be grounds for denial;
- is a welfare-to-work (WTW) family that failed to fulfill its obligations under the welfare- to-work voucher program within the last three years;
- The PJCDA will permanently deny any applicant or adult joining an existing household who is found subject to a lifetime sex offender registration required under a state sex offender registration program;
- The PJCDA will deny admission when there is a reasonable cause to believe that a member of the Section 8-assisted household has a pattern of substance abuse, e.g. drugs or alcohol, which interferes with the health, safety and/or right to peaceful enjoyment of the premises by other residents living in or near the Section 8-assisted family;
- PJCDA will permanently deny assistance to a family if any member of the family has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally-assisted housing. This is a HUD regulation specifically for Methamphetamine manufacturing.

a) Prohibition of Full-Time Students

Under HUD rules, a person will not be eligible to separately receive Section 8 assistance who:

- Is enrolled as a student at an institution of higher learning
- Is under the age of 24;
- Is not a veteran of the United States military;
- Is unmarried;
- Does not have a dependent child;
- Is individually ineligible for Section 8 assistance; or
- Has parents who are, individually or jointly, ineligible for assistance.

b) Additional Family Members

Circumstances governing denial of assistance to applicants shall also be applicable to any and all instances wherein a participant family wishes to admit an additional family member who meets any of the above conditions.

c) Preponderance of Evidence

If assistance is to be denied as outlined above, the denial will be based upon either of the following:

Preponderance of evidence – defined as:

- Evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole, shows that the fact sought to be proved is more probable than not.”
- Credible Evidence – defined as “evidence provided by police and court systems such as drug raids, drugs found in the dwelling unit, evidence which is tied to the activity, warrants issued, arrests made, etc.

Applicant families will be notified of their denial for Section 8 program admission, in writing, stating the reasons for denial and advising of the family’s right to be granted an Informal Review. In all instances of denials for program admission, families are entitled to an Informal Review of the PJCDA finding and must request in writing for a review of the PHA’s determination. Informal Reviews pertinent to Section 8 Program admission denials will conform to the policies and procedures as outlined.

C. VERIFICATION OF INCOME, IDENTITY AND DETERMINATION OF TOTAL TENANT PAYMENT (TTP)

Tenant families must provide all documentation requested for verification of income, assets and family composition in a timely manner (usually 10 days). Furthermore, any and all information relative to a family's eligibility must be disclosed. Failure to disclose appropriate information and/or providing false information to the PJCDA constitutes program fraud and will cause denial and/or termination of housing assistance.

In accordance with the procedures and priorities as outlined in this plan, eligible families are contacted for enrollment and issued Section 8 Housing Choice Vouchers depending on program availability.

1. Required Documentation:

The following is needed to verify identity Social Security number and age:

- a) Social Security** - original social security card or original document issued by a federal or state government agency which contains the name, SSN, and other identifying information of the individual

- b)** Birth certificate, baptismal certificate, military discharge papers, valid passport, census document showing age, naturalization certificate, social security administration benefits form that shows date of birth
- c)** Immigration Status - As per HUD regulations -Section 8 rental assistance for persons who are not U.S. citizens, nationals or possess eligible immigration status must also provide the PJCDA with evidence of required eligible status per the following, this applies to applicant families:
 - Signed declaration of U.S. citizenship (by birth or naturalization); or
 - Signed declaration of eligible immigration status.
 - For non-citizens, 62 years of age and older, proof of age is also required.

2. Verification Process

As part of the enrollment process, Section 8 staff request appropriate documentation as verification of family composition, income, assets, and allowances/deductions.

Verifications include:

- a)** SAVE System - As required by HUD, all non-U.S. citizen applicants must be verified through the U.S. Department of Homeland Security Systematic Alien Verification for Entitlements (SAVE) system prior to program enrollment.
- b)** Third-party written verification as provided by employers and other agencies, i.e., Department of Social Services, Social Security Administration, etc., as appropriate.
- c)** Other acceptable means of verification include official documents pertaining to income and assets, i.e., bank statements and 1099 forms and paystubs.
- d)** Enterprise Income Verification (EIV) System for verifying employment and social security. This system is accessed through a HUD secured database. However, this system for income and employment verification is unavailable for new admissions. The PJCDA will run EIV reports 90 days after admission for all new admission families.

Information contained in the EIV system may be reviewed with Section 8 tenant families only. At no time will the information be released to any other party.

For families choosing to remain in their current unit while receiving Section 8 assistance, the PJCDA staff also verify the family's residency, current rent and utility costs. Once all verifications have been obtained, the family's Total Tenant Payment (TTP) will be determined and the Section 8 Housing Choice Voucher is readied for issue.

D. ENROLLMENTS

1. Enrollment Interview Process

During the enrollment interview, Section 8 staff will brief families on their rights and responsibilities as Section 8 program participants. The enrollment interview is conducted at the offices of the PJCDA. However, home visits are arranged for those families, i.e., frail elderly, disabled or handicapped, who are unable to attend an on-site interview. All household adults are required to attend the briefing. The family briefing includes the following:

- Income eligibility, eligible allowances and/or deductions and determination of the family's TTP
- Terms and conditions of the HUD Lease Addendum
- HUD Housing Quality Standards (HQS) for assisted units including the regulations governing lead-based paint abatement and asbestos hazards
- Searching for suitable housing, HUD occupancy standards, review of HUD utility allowances and Housing Choice Voucher Payment Standards
- Fair Housing and discrimination and the procedure for filing complaints
- Family moves and the HUD regulations governing portability of Section 8 rental subsidy assistance
- Violence against Woman Act VAWA Protection for Domestic Violence Victims
- Program requirements regarding annual and interim recertifications, initial, annual and complaint HQS inspections, reporting changes in income, assets and household composition to THE PJCDA, and the regulations regarding program termination.

As previously mentioned, when briefing families, a Section 8 Power Point presentation and a briefing packet is distributed to participants along with relevant documents pertaining to tenancy, housing search, rent and utility costs. The packet also includes a briefing on Fair Housing laws and discrimination, utility allowances, terms and conditions of a lease agreement and compliance of HUD housing quality standards (with emphasis on lead-based paint hazards). Information about the Family Self-Sufficiency program, the Section 8 Homeownership program, mold, and choosing a good place to live, are also included in the briefing. Participating families are expected to secure housing on their own. Furthermore, non-English speaking families are also provided assistance to avoid misunderstandings and/or potential discriminatory practices resulting from language barriers.

The process also includes:

Income Verification

All income and asset information provided by the applicant will be verified via third-party contact unless two attempts to provide such verification fail.

Child Support

Periodic allowances received as child support payments must be included as annual income. However, child support payments that are nonrecurring or sporadic shall be excluded as income.

Pay Stubs as Verification of Income

Original pay stubs dated within 60-days before admission or annual recertification may be used to verify income from wages. However, there must be at least two to four consecutive pay stubs for the determination of annual income. If one paystub is considerably less, it may be excluded, and this must be documented in the tenant's file.

Asset Verification

For new admission tenant's three consecutive bank checking account statements must be averaged. The current balance of savings account will be used. Any interest or dividends must be counted as asset income.

Existing tenants during the recertification process, they may self-certify their assets by filling out the asset certification, provided their combined assets are less than \$5000.00.

For Participants and new admissions reporting assets over \$5,000.00 must be verified through third party verification or 3 consecutive bank statements.

2. Issuance/Extension of the Section 8 Housing Choice Voucher

Once the family is admitted to the Program and issued their Section 8 Housing Choice Voucher, they are given a maximum sixty (60) days to select the housing unit they wish to live in while receiving Section 8 assistance. For the purposes of meeting this requirement, the family must produce a ***Request for Tenancy Approval (RTA)***, executed on or before the expiration date, as satisfactory compliance.

Once the executed RTA is presented, the voucher is suspended.

The tenant family may choose to remain in their current rental unit or move to another rental unit. This is acceptable, provided:

- The unit will pass the Housing Quality Inspection
- The landlord agrees to participate in the Section 8 Program and receive housing assistance payments on behalf of the family
- The contract rent is reasonable within agency guidelines

- A property deed of the assisted unit must be presented along with the W9 and Social Security card or TIN paperwork of the owner
- An extension of the family's Housing Choice Voucher may be granted up to a maximum of 60 additional days, at the discretion of the PJCDA
- Such, extensions will only be considered where the family demonstrates to the PJCDA they have been searching but are experiencing difficulties in their search for housing, i.e., death or illness in the family, hard-to-house families and/or families with disabled/handicapped members. Furthermore, the PJCDA could request proof of a family's housing search efforts.
- Requests for extensions of their Housing Choice Voucher must be in writing. The maximum extension cannot exceed 120 days for non-disabled families.
- For disabled families or families with disabled/handicapped members, the PJCDA will allow a maximum of 180 days to secure a suitable housing unit.

Once the family has made their decision regarding the housing unit they wish to live in while receiving Section 8 assistance, the PJCDA will execute a Housing Voucher Contract on the tenant family's behalf, providing the:

- rental unit complies with HUD requirements of housing quality and occupancy standards
- gross rent for the Section 8 assisted unit meets the test of rent reasonableness based on comparable rents for similar units in the private rental market
- the landlord agrees to participate in the Section 8 Program and receive housing assistance payments on behalf of the family
- property deed of the assisted unit is presented along with the W9 and Social Security card or TIN paperwork of the owner

Since the Section 8 Housing Choice Voucher Program does not impose maximum rent guidelines, participating families are briefed regarding the applicable subsidy level (Voucher Payment Standard) the PHA will pay on their behalf. As such, families may choose a housing unit where the gross rent exceeds the Applicable Payment Standard(APS), however, Section 8 staff will counsel participant households on selecting rental units within their affordability range. In accordance with HUD regulations, Housing Choice Voucher families may not select a rental unit where the gross rent will cause the family to pay an amount greater than 40% of their monthly adjusted income and the PJCDA will deny approval of housing units where the gross rent causes the family to pay a tenant rent in excess of 40% of their monthly income.

When computing a family's TTP, the PJCDA will establish a minimum rent of \$50.00.

3. *Housing Voucher Subsidy/Payment Standards*

The family's Section 8 Housing Choice Voucher will indicate the appropriate size rental unit, i.e., number of bedrooms, based on the number of family members in the Section 8 household. This is the size unit the family should be looking for when selecting the housing they wish to live in while receiving Section 8 assistance.

The applicable Housing Voucher Subsidy Standard (maximum rent assistance to be paid on the family's behalf) will be based on the family's appropriate unit size. Families may choose to select a larger rental unit providing the family's tenant rent does not exceed 40% of their monthly adjusted income. However, families will be denied approval of a smaller rental unit if HUD occupancy standards are violated due to overcrowded living conditions.

For families that choose to live in a unit larger than their voucher size the utility allowance for that family will be based on family voucher size and not unit size.

E. HOUSING QUALITY & OCCUPANCY STANDARDS

1. Housing Quality Standards (HQS) Inspections

A HUD Housing Quality Standards (HQS) inspection is then conducted by the Section 8 Housing Inspector to ensure compliance with decent, safe and sanitary standards and HUD occupancy requirements. The Section 8 Inspector also maintains close liaison with the City Building Official regarding local housing code violations, particularly serious deficiencies which pose safety and/or health hazards to the Section 8 family. All Section 8-assisted units must be free of any lead-based paint and asbestos hazards in strict accordance with HUD regulations. Furthermore, all assisted units must comply with New York State Fire Safety Code requirements per the following:

- Each unit must have a working smoke-alarm detecting device on each level and be located inside all sleeping rooms.
- Each unit must contain a working and visible carbon monoxide detector.
- Each unit must have a safe, working heating system and the PJCDA will require heating systems be serviced on an annual basis. Proof of service must be provided to the Section 8 Inspector.

Providing the unit is ready and available for inspection, all initial inspections are conducted in a timely manner to avoid delay in the commencement of housing assistance. Inspections must be performed within fifteen (15) days following the receipt of the *Request for Tenancy Approval (RTA)*.

Owners and families are notified, in writing, of repairs necessary to comply with HUD HQS. Furthermore, non-emergency repairs must be completed within thirty (30) days of the executed Request for Tenancy Approval, the annual, interim or special HQS inspection. At no time will housing assistance payments be paid for any time period in which the rental unit is not in compliance with HUD Housing Quality Standards (HQS).

Annual inspections are also conducted (within a year of the last annual inspection) to ensure assisted units remain in compliance with HUD HQS. At the request of an owner participant and/or Section 8 family, interim or special inspections may be requested to identify and remedy

HQS deficiencies which occur during the lease period or to cite damages as caused by the tenant family.

a.) 24-HOUR FIXES

The following is a list of items that are considered emergency repairs. These must be completed immediately upon notice of the inspector:

- lack of security for the unit
- waterlogged ceiling in imminent danger of falling
- major plumbing leaks or flooding
- natural gas leak or fumes
- electrical problem which could result in shock or fire
- no heat when outside temperature is below the what the Port Jervis city ordinance dictates
- inoperable smoke detector
- inoperable carbon monoxide detector
- utilities not in service; either electrical or gas
- no hot water
- Any other violation that threatens the families' health and safety

2. Abatements

When it has been determined that a unit on the program fails to meet HQS, and the owner is responsible for completing the necessary repair(s) in thirty days, and fails to do so, the assistance payment to the owner will be abated. However, The PJCDA can use its discretion to determine if abatement is necessary. The PJCDA will take into account the seriousness of the deficiency, the effort of the landlord to make repairs and so on. If abatement is necessary:

- A Notice of Abatement will be sent to the owner stating that the abatement will be effective from the day after the date of the failed inspection.
- Once the owner notifies the PJCDA repairs are completed, a re-inspection will take place at the first opportunity following notification.
- If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection.
- No payments will be made during the period the unit is out of compliance. The tenant is still responsible for their share during the period.

3. HUD Occupancy Standards

As determined by the number of household members who will occupy the unit, Section 8-assisted units must also meet HUD occupancy standards. As part of their briefing, families will be provided a guideline for minimum and maximum occupancy ranges based on the number of bedroom/sleeping rooms contained in the rental unit. The PJCDA reserves the right to deny approval of a unit due to overcrowded living conditions. The following process and HUD Occupancy Table will be followed:

HUD OCCUPANCY TABLE

<i>Bedroom Size</i>	<i>Minimum persons</i>	<i>Maximum Persons</i>	<i>Living room as sleeping room</i>
<i>0</i>	<i>1</i>	<i>1</i>	<i>1</i>
<i>1</i>	<i>1</i>	<i>2</i>	<i>4</i>
<i>2</i>	<i>2</i>	<i>4</i>	<i>6</i>
<i>3</i>	<i>4</i>	<i>6</i>	<i>8</i>
<i>4</i>	<i>6</i>	<i>8</i>	<i>10</i>

Section 8-assisted units must also meet HUD occupancy standards, as determined by the number of household members who will occupy the unit. As part of their briefing, families will be provided the above guidelines. **The basic rule is two people for every bedroom, regardless of sex or age.** The family can determine sleeping arrangements that best meet their needs under this guideline. Living rooms may be used as a bedroom at a household's discretion provided it does not violate local code (must have a smoke detector, a window and a door).

The following occupancy exceptions apply:

- A live-in aide who meets all qualifications in section 11C of this plan, may be assigned a bedroom and added to the lease as a permitted occupant, the aide has no survivorship rights to the subsidy. No space will be provided for a live-in aide's family.
- An exception to subsidy size may be made in the case of a reasonable accommodation for a person with disabilities. This accommodation must be signed by an MD and updated annually at recertification.
- Families already housed under the previous Administrative Plan would not have to change their voucher size, however upon relocation to a different unit or portability the above subsidy standards would apply.

Note: Families can opt to pay more for a bigger unit provided they don't exceed the 40% rule.

Per HUD regulations, families pay 30% of their adjusted income towards their rent, however they cannot pay more than 40% of their adjusted income towards their rent.

F. SECTION 8-ASSISTED HOUSING TYPES

The owner cannot be related to the tenant in any capacity by birth or marriage, except in cases of a reasonable accommodation.

The types of housing assisted under the Section 8 program include:

- Single and Two-Three Family homes
- Multi-family apartments (4+ units in a building)
- Garden apartments
- Hi-rise and elevator buildings
- Row-type housing
- Townhouse units
- Condominium units

As previously mentioned, the size of the assisted unit (e.g. number of bedrooms) will coincide with the family's Section 8 Housing Choice Voucher and comply with HUD occupancy standards and Housing Voucher subsidy (payment) standards. In accordance with HUD Regulation 24CFR Part 8 Section D of the Federal Register, the utility allowance will be based on the Voucher size, not the unit size.

- a. Applicable Housing Voucher Payment Standards and HUD utility allowances will be used;
- b. Approved rents will be based on the *pro-rata share* of the total gross rent in accordance with the special housing type; and
- c. Approved rents must also meet the test of rent reasonableness.

To qualify for Section 8-assistance, Group Homes must be certified, licensed or similarly approved by the appropriate State agency.

Due to the prohibition of manufactured housing (e.g. mobile homes) in the City of Port Jervis, The PJCDA will not approve this type of housing for Section 8 assistance to comply with City of Port Jervis Housing Codes and Ordinances.

1. Prohibition Against Duplicate Subsidies

Families will be denied participation in the Section 8 Housing Choice Voucher program if they choose to live in a housing unit subsidized under another local, State or Federal program.

Housing units assisted under the Low Income Housing Tax Credit (LIHTC) program and families receiving a *shelter allowance* payment through the Department of Social Services (e.g. public assistance families and persons) are eligible for Section 8 tenant-based assistance under the Housing Choice Voucher Program.

G. DISAPPROVAL OF OWNER PARTICIPANTS

In accordance with HUD regulations, the PJCDA will not approve an owner for participation in the Section 8 Program under the following conditions:

1. the unit owner is a relative of the Section 8-assisted family including parents, children, grandparents, grandchildren or siblings or is related by marriage unless the assisted unit is required for reasonable accommodation of a disabled/handicapped member of the Section 8 family;
2. there exists a pending Federal action or other government-instituted administrative or judicial action against the owner for violations connected with Fair Housing and/or Federal Equal Opportunity (FEO) laws, rules and regulations;
3. a court or administrative agency has cited the owner for violation of Fair Housing or other FEO requirements;
4. the owner has been cited for violations under a previous or existing Section 8 Housing Voucher Contract;
5. the owner has committed fraud, bribery or other corrupt/criminal act connected with any federally-assisted housing program;
6. the owner has engaged in the sale, use or possession of illegal substances or has been involved in a drug-related or violent criminal activity;
7. where the owner has a history or practice of non-compliance with housing quality standards under the Section 8 program or housing standards for project-based assistance under any federally-assisted housing program;
8. the owner has a history or practice of renting units which fail Federal, State or local housing codes;
9. the owner is delinquent on Federal, State or local real property taxes, fines and/or assessments;
10. the owner owes monies to the PHA and fails to enter into agreement for repayment and/or is in default of a repayment agreement;

11. The PJCDA is notified that the owner participant is debarred, suspended or subject to limited denial of participation in accordance with the regulations contained in 24 CFR Part 24;
12. The owner has a history or practice of failing to terminate the tenancy of families assisted under the Section 8 or other federally-assisted housing program for the following activities:
 - a. threats or interference with the rights to peaceful enjoyment and comfort by residents of the leased premises or neighbors residing in the immediate vicinity of the Section 8-assisted family
 - b. threats to the health, safety and/or welfare of the other residents, employees of the owner or the PJCDA, or other members engaged in the management of the assisted housing
 - c. drug-related criminal activity or violent criminal activity

These activities apply to all members of the assisted household, guests or other person(s) under the control of any member of the assisted household.

H. REVIEW OF LEASES, EXECUTION OF HUD LEASE ADDENDUMS AND HOUSING VOUCHER CONTRACTS & RENT REASONABLENESS

1. Leases/Addendums/Contracts

Once a rental unit has been selected by the family, inspected and approved by the PJCDA, owners must execute their own lease and it must conform to state and local laws. The owner and the PJCDA enter into a Housing Voucher Contract for a term that will run concurrent with the term of the Lease Agreement and its Addendum. The most recent Tenancy Addendum (HUD Form 52641) will be attached to the lease and will govern the tenancy. For new lease agreements and contracts, the PJCDA requires a minimum one (1) year initial lease term. Furthermore, for all lease and contract agreements The PJCDA will require a minimum of the following information:

- Name of the Tenant Family and Owner Participant
- List of all family members
- Address of the Section 8-assisted unit
- Breakdown of utilities and appliances as supplied by the owner and/or tenant-furnished
- Lease term including the initial period and provisions for the lease renewal.

2. Rent Reasonableness

Prior to approving the family's Lease and Contract, the PJCDA will review the rent requested by an owner for fair market comparability and reasonableness based on neighborhood private market rents charged for similar units and previous rents charged by the landlord for the same

unit. The PJCDA reserves the right to decline a Lease/Contract where the gross rent does meet the test of rent reasonableness.

In performing the rent comparability analysis, the PJCDA will check published listings of available rentals in the community. The PJCDA will also contact local Realtors for updated information on current private market rents and exchange information with other rental property managers to determine if the rent charged by the Section 8 owner participant is fair and reasonable. The PJCDA will maintain Comparable Rents through the software data base and when conducting the rent reasonableness test for all initial contract rents as well as rent increases requested for Section 8-assisted units.

3. Security Deposits

Owner participants are entitled to collect a security deposit from a Section 8-assisted tenant family limited to the amount equal to security deposits collected on behalf of tenants living in unassisted, private market rent units. At all times, Section 8 owner participants must adhere to prevailing market rates when collecting security deposits from Section 8-assisted families. Generally, owners will collect an amount equal to one (1) month's rent, however they can charge more since there is no maximum restriction on security deposits. Owners may use the security deposit as reimbursement for damages to the rental unit, unpaid tenant rent, or other amounts owed under the lease in accordance with New York State and local laws. The security deposit may only be used after the tenant family has vacated the unit and cannot be applied towards any amounts owed under the lease during the family's leased tenancy.

In the instances where an owner will retain all or a portion of the family's security deposit, the owner must be in compliance with New York State law.

Should the security deposit be insufficient to cover amounts owed, the owner may seek to collect the remaining balance from the family either through a voluntary agreement with the tenant family or by instituting a court action against the tenant in accordance with State and local laws.

I. HOUSING ASSISTANCE PAYMENTS

1. HAP Payments

Section 8 staff is responsible for processing and issuing monthly housing assistance payments to owner participants. In accordance with HUD regulations, Section 8 staff prepare a monthly HAP payment statement which will accompany each check and ensure that all payments are made in an accurate and timely manner. In accordance with the executed Housing Voucher Contract, HAP payments are issued and mailed to owner participants no later than the 5th day of each month.

2. 1099 Forms

The PJCDA maintains HUD-approved audit and control practices regarding the use and disbursement of all Section 8 program funds. At the end of each calendar year, owner

participants are issued 1099 forms indicating the total amount of HAP Payments (in excess of \$600.00) issued during the preceding year. These 1099 forms are prepared and issued in accordance with HUD regulations as part of the PJCDA's accounting and audit procedures. Monthly housing assistance payments to owner participants are computer-generated using the HUD-approved **HAPPY** software system.

3. Uncashed HAP Payments

If a Housing Assistance Payment check remains uncashed or lost due to owner's negligence the PJCDA will pass on the stop payment fee that the bank charges the PJCDA to the landlord. This stop payment fee will be deducted from the check before reissuance.

4. Breach of Contract

If an owner breaches or otherwise violates the terms and conditions of the Housing Voucher Contract, including non-compliance with maintaining the Section 8-assisted unit per HUD housing quality standards, the PJCDA reserves the right to abate and/or terminate housing assistance payments. In such instances, the family cannot be required to pay the HAP to the owner directly. Moreover, should HAP payments be abated for 180 days, the Housing Voucher Contract will automatically be terminated by the PJCDA.

J. FILE RETENTION

1. Applicant/Tenant Files

Applicant files must be kept for 3 years after determination/denial.

Termination files are kept for 3 years after the determination per the following schedule:

Participant files are kept for 3 years.

2. Permanent File Documents

Except for the following list of permanent file document which are secured on the left side of the physical file folder and are tracked using the permanent file checklist form, all other documents may be destroyed after the three-year period. The permanent records include:

1. Birth certificates or other HUD acceptable verification of DOB
2. Social security cards or other HUD acceptable documentation of social security numbers
3. Systematic Alien Verification for Entitlements (SAVE) report- Homeland Security documentation for non-citizens (This report must be retained for 5 years)
4. Initial pre-application
5. Initial income eligibility verification

6. Initial voucher
7. New Admission 50058
8. Initial HAP contract
9. Initial lease and tenancy addendum
10. Initial inspection book
11. Landlord documents - Deed of assisted unit, W9, request for tenancy approval (RTA) and lead based paint form for assisted unit if applicable.
12. Clearance paperwork - (duplicate subsidy report, former tenant search report and criminal and sex offender case note)
13. HUD Applicant Supplemental form (updated every year)
14. Initial Paperwork such as Declaration of Citizenship, Debts owed and What you should know about EIV (These forms are updated as needed for every household adult).

3. Participant Moves

Existing tenants that move to a different unit are subject to the same guidelines for initial participants. Such as household income must be within 60 days, all landlord paperwork must be received, and the unit must pass inspection before housing assistance payments commence.

4. Criminal Records

Special retention rules pertain to criminal records for both applicants and participants. Criminal records are required to be destroyed once the purpose for which they are obtained has been accomplished.

K. Annual Recertification

At the time of initial enrollment, Section 8 staff prepares an archive file for each participant family and establishes a chronological system indicating the requirement for a minimum annual recertification of the family's composition, income, assets, and allowable deductions. The PJCDA also maintains a computer database of tenant, owner, unit and project data using the HUD-approved **HAPPY** software. The software program is updated periodically to reflect changes in HUD program regulations.

Annual recertification is used to determine a family's continued eligibility for housing assistance and is based on the tenant family's annual anniversary date of program enrollment. Should a Section 8-assisted family move during the lease term, the new lease/contract date represents the family's new annual recertification date.

Section 8 staff is responsible for familiarizing themselves with all participant households and providing assistance to Section 8 families with housing as well as non-housing issues. Staff

will observe and document a family's special needs and make referrals to other appropriate agencies in seeking solutions to social, educational, economic, health and employment related matters.

Participant families will be notified, in writing, 60-90 days prior to their annual anniversary date of the need for an annual recertification. During this process, all family income, assets, composition and allowances/deductions will be reevaluated and updated, as necessary, to determine if any changes should be made to the family's portion of the rent.

An annual HUD housing quality standards inspection of the Section 8-assisted unit will also be performed as part of the annual review process. However, the HQS inspection does not always coincide with the recertification process. As in some cases units passed inspection at a later date from the recertification date, or a special inspection was performed and that became the annual date for inspection.

Section 8 participant families must cooperate fully in the recertification process. This includes timely response to interview letters and scheduling of appointments, full disclosure of all family, income and assets information and cooperation in the annual HUD HQS inspection process.

Additionally, Section 8 owner participants must also cooperate in a timely manner with regards to the annual recertification process. For owners who have executed a year-to-year lease with the Section 8-assisted tenant family, the owner must produce a new lease at least sixty (60) days prior to the family's annual recertification date and indicate any increases in rent at the time the new lease is presented to the PJCDA.

Should a family fail to respond, after two written notices, unduly delay the process and/or refuse to provide all relevant information for continued eligibility, the PJCDA reserves the right to terminate the family's housing assistance, with thirty (30) days advance written notice.

1. *Interim Recertification*

The PJCDA will conduct an interim change only when the cumulative income increase in income is more than \$200.00 a month or there is a change in family composition or household income decreases. The procedure is as follows:

1. The PJCDA will review and determine whether there have been other changes to family composition, income assets, or allowances since the most recent certification. If the answer is no there is no reason to verify these again – (Tenant fills out the tenant information form- TIF).
2. Obtain third-party verification of the income or other facts reported as changed since the last recertification and maintain documentation in the tenant file
3. The EIV system utilized at the time a tenant reports a change in

employment or income to determine if any information has been provided by the employer or if the tenant had unreported income

4. Print the HUD Family report (50058) and place in tenant file

2. Zero Income Families

Families reporting zero income must certify quarterly. The purpose of the quarterly certification is to verify the family's expenses, and to have the family provide an explanation of how their expenses are being paid.

Any regular contributions received by the family from outside sources must be considered as household income. In addition, the family must complete the HUD "*Zero Income Checklist Worksheet*" on a quarterly basis.

3. Temporary Absences from the Section 8-assisted Unit

The PJCDA will continue uninterrupted housing assistance payments in the instance of a family absence from the Section 8-assisted unit providing the period away from the unit not to exceed 180 consecutive days. Absence means that no adult member of the family has resided in the unit for 30 or more days. The family must request permission in writing for absences that will exceed 30 days. Any family absent for more than 30 days without authorization will be terminated from the program. Authorized absences may include, but are not limited to:

- prolonged hospitalization
- absences beyond the control of the family (e.g., death in the family, other family member illness); or other absences that are deemed necessary by the PJCDA.

4. Violence Against Women Act (VAWA) and Justice Department Reauthorization Act of 2005

(VAWA) protects tenants and family members of tenants who are victims of domestic violence, dating violence, or stalking from being evicted or terminated from HUD Section 8 assistance based on acts of such violence against them. The PJCDA will notify participants of their rights and obligations under VAWA. The PJCDA will provide participants with Form HUD 50066, *Certification of Domestic Violence, Dating Violence, or Stalking* at the time of admission. The PJCDA will also provide form HUD 50066 at the start of any proceeding where domestic violence may be a factor. The Housing Assistance Contract has been updated for the owner's responsibilities under the VAWA act.

L. RENT ADJUSTMENTS

The PJCDA and tenant families must be provided a minimum 60-day advance written notice of all rent increases. This also includes Section 8 owners who execute a new lease at the time of recertification. THE PJCDA and the tenant family must be provided with the new lease, indicating the new contract rent, no later than sixty (60) days prior to the annual recertification date.

Where possible, rent increases should coincide with the tenant's annual recertification date.

Rent increases are reviewed by Section 8 staff, tested for rent reasonableness and will be granted based on increases in real property taxes, tax assessments, utilities and other related costs.

The cost of capital improvements made to the rental property does not constitute a justification for an annual rent adjustment.

The PJCDA reserves the right to deny a rent increase based on factors of rent reasonableness.

The rule of thumb is rent increases will not exceed \$50.00 per year (usually at recertification) unless in extreme cases.

M. REVIEW OF HOUSING VOUCHER PAYMENT STANDARDS

HUD issued Payment Standards are used to determine the monthly housing assistance payment to be paid by the PJCDA to an owner. The Applicable Payment Standard (APS) represents the maximum monthly subsidy payment made on the family's behalf. The Payment Standard is the lower of the applicable Payment Standard for the family's Housing Choice Voucher or size of the dwelling unit to be occupied by the family.

1. Applicable Payment Standard Schedules

The PJCDA has established an Applicable Payment Standard (APS) scheduled according to the PHA's jurisdiction, e.g., Orange County Fair Market Rent (FMR) Payment Standard amounts are adopted for each unit size based on the number of bedrooms applicable to the family including: (a) 0-bedroom; (b) one-bedroom; (c) two-bedroom, (d) three bedroom; (e) four-bedroom; and (f) Five + bedrooms.

Applicable Payment Standards adopted by The PJCDA shall fall within the prescribed 90% to 110% of the published FMR for the appropriate unit size. The PJCDA reserves the right to establish a higher schedule, if necessary, to provide reasonable accommodation for a Section 8-assisted family with disabled/handicapped members. APS amounts higher than the allowable range must be pre-approved by the HUD Public Housing Field Office. For approval, the PJCDA must provide the Field Office with program justification for the higher amounts this is known as a rent exception.

2. Reviews and Changes to Applicable Payment Standards

The PJCDA monitors its Applicable Payment Standard levels on a minimum annual basis in accordance with the following criteria:

- a. Review of individual family APS levels to ensure families are not paying an amount greater than 40% of their monthly adjusted income based on *inadequate* Payment Standards
- b. Continual monitoring of APS levels at the time of the family's annual and/or interim recertification

Only when Applicable Payment Standards fall below the 90% of the FMR and/or levels are insufficient to meet the family rent subsidy needs will the PJCDA adjust its APS levels. Moreover, newly adjusted APS levels will be published, and appropriate briefing packets and handbooks will be revised to reflect the new amounts.

3. Minimum Rents

The PJCDA has a minimum rent policy of \$50 for all participants in the Section 8 Voucher Program. Adjustments to rent shares for affected families are to be implemented immediately with proper 30- day notice.

N. TERMINATIONS

1. Termination for Cause

- **Violating any Family Obligations**
Families may be terminated from the program at any time for breaking any of the rules under "Family Obligations" as define on the Housing Choice Voucher.
- **Drug Related or Violent Criminal Activity**
Families may be terminated if any family member has engaged in drug-related or violent criminal activity. Termination from Section 8 does not depend on whether the family member has been arrested or convicted. It only depends on whether there is a preponderance of evidence to indicate a family member has engaged in drug-related or violent activity.
- **Fraud**
The family may be terminated if any member commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- **Any Other Criminal Activity**
Criminal activity which threatens the health or safety of others, or which continually disturbs others.

- **Disturbing the Peace**
A history of disturbance of neighbors or damage to the property.
- **Unauthorized occupants**
Any persons living in the unit without written landlord permission or permission of the PJCDA.
- **Lease violations**
Any repeated lease violations
- **Refusal to sign or supply documents**
The family refuses to supply any certification, release of information or documentation which the PJCDA or HUD determines to be necessary for the administration of the program
- **Vacating without notice**
The family vacates the dwelling unit without proper notice to the PJCDA and Landlord.
- **Assisted unit is not principal residence**
The family does not use the dwelling as its principal place of residence
- **Abusive behavior towards staff**
The family engages in or threatens abusive or violent behavior toward the PJCDA staff.
- **Access to the unit**
The family must allow the PJCDA to inspect the dwelling unit at reasonable times and after reasonable notice. If after two attempts, the PJCDA is denied access the unit will be considered failing and the participant can be terminated.

Owners are briefed to notify the PJCDA, in writing, of their intent to evict a Section 8 family or otherwise terminate a Lease Agreement and discontinue the Housing Voucher Contract on behalf of the Section 8 family. The PJCDA must also be notified of any sale, bank foreclosure or transfer of ownership of a property under Housing Voucher Contract and Lease Agreement which could ultimately affect the Section 8 tenant's current and future occupancy of the assisted unit.

Termination of tenancy by an owner may only be done in accordance with the terms and conditions of the Housing Voucher Contract and HUD Lease Addendum that governs the family's tenancy. In the case of an eviction, the landlord must initiate a court action in accordance with New York State Real Property Law to remove the family from the leased premises.

For participant households terminated due to program abuse and/or fraudulent action committed during the course of tenancy and program participation, Section 8 staff must document the termination and maintain records for program purposes and flagged in the HUD EIV System. In these instances, families are advised, in writing, of the reasons for termination and afforded the opportunity to appeal the PHA decision and be granted an Informal Hearing. Further, owners are also notified, in writing, of the date of termination and issuance of the final housing assistance payment.

Families terminated due to ineligibility for continued rent subsidy, (total tenant payment is equal to or greater than the gross rent), are provided a minimum thirty (30) day advance notice of termination of rent subsidy payments. Families are further briefed that the Section 8 Housing Choice Voucher will remain open for a six (6) month period following the date of termination. If, at any time during the six (6) month nonpayment period, the family experiences a change in income, assets, family composition or allowances which adversely affects their ability to make rent payments on their own, they may request an interim evaluation of the new data to determine if housing assistance payments should be reinstated.

It is the families' responsibility to request a review of income. However, if the family does not request a review in writing and supply all relevant income documentation to make a determination, the families participation will automatically terminate. To reinstate rental assistance after program termination, the family must reapply to the Program and wait their turn for another Section 8 Housing Choice Voucher to receive Section 8 assistance.

In all instances of family terminations, eligible households on the PJCDA active waiting list are contacted to fill the vacancies left by families who are terminated or voluntarily move off the Section 8 Program.

O. REIMBURSEMENT FOR PHA OVERPAYMENTS

The PJCDA maintains a strict policy of reimbursement for any overpayment of housing assistance payments made on behalf of a Section 8-assisted family at time of occurrence, should a family fail to report income, assets or change in household composition that resulted in a reduced housing assistance payment, the amount of overpayment must be reimbursed to the PJCDA in order to remain eligible for continued Section 8 assistance.

1. Repayment Agreements

Determining Participant Monthly Repayment

Repayment Schedule Following is the schedule for repayment amounts and maximum terms.
Amount Due:

\$600 or Less	Maximum Term	6 Months
\$601 - \$1,200	Maximum Term	12 Months

\$1,201 - \$1,800 Maximum Term 18 Months
\$1,801 - \$2,400 Maximum Term 24 Months
\$2,401 – or More Maximum Term 36 Months

The Section 8 Family may pay the amount of HAP overpayment in full or enter into a repayment agreement, the repayment agreement is a promissory note and contains the following:

- Details as to how it is to be repaid, when it is due, and that the family could be terminated if they default
- This agreement may be renegotiated if the family income changes.
- The monthly repayment amount is in addition to their regular tenant portion.
- Families that miss 2 consecutive payments will be considered a default and can be terminated from the Housing Choice Voucher Program.

Additional Notes

If a family commits additional program fraud while a repayment agreement is in force they will be terminated.

Repayment agreements should not last past 48 months however this could be longer or shorter depending on the amount owed and the PJCDA discretion.

If a family refuses to enter into a repayment agreement they will be terminated.

Payments must be made by money order or cash, however if a personal check is received and bounces client is responsible for the returned check charge and must then pay with cash, or money order.

P. FAMILY MOVES AND PORTABILITY

As previously mentioned, participating families must notify the PJCDA of their intention to move within the City of Port Jervis or outside to another PHA jurisdiction in accordance with the portability features of the Section 8 Program. Families are briefed to provide the owner and the PJCDA with a minimum thirty (30) days advance written notice of their intent to vacate the unit, dated from the first of the month. For example, if a family makes a decision to move on January 1, the 30-day notice must arrive at the landlord and PHA's location on or before December 1st of the preceding month. However, if a family owes monies to a PHA, the owed amount must be satisfied prior to porting to another jurisdiction.

The PJCDA reserves the right to restrict family moves to no more than one (1) for each 12-month lease period. The PJCDA may allow a move prior to the lease renewal due to extenuating circumstances, i.e., medical reasons, domestic violence, or other circumstance beyond the tenant family's ability to control or prevent. All amounts due and owing a landlord must be fully paid prior to a tenant family moving to a new unit, while receiving Section 8

assistance. The PJCDA reserves the right to deny a new contract/lease unless all outstanding tenant rent is paid to the family's current landlord.

1. Family Moves within the PJCDA Jurisdiction

For families who move within the City of Port Jervis, efforts are made to contact the new property owner and invite his/her participation in the program, inspect and approve the new unit, and execute a Housing Voucher Contract, Lease Agreement and HUD Lease Addendum, all within a reasonable time frame to ensure uninterrupted housing assistance.

2. Portability Outside the PJCDA Jurisdiction

For families who elect to move outside the City of Port Jervis, Section 8 staff endeavor to assist the family in its relocation efforts, i.e., communicate with the other receiving PHA to arrange transfer of the Section 8 Housing Choice Voucher for use under the other PHA Program. Portability rules, as mandated by HUD, are an integral part of family our briefing packet for new admissions to the program.

Under portability rules, the following can occur:

- a. the Section 8 family must select a jurisdiction that operates a tenant-based program.
- b. should the Section 8 family reside outside the PJCDA jurisdiction at the time of application, they must be under lease for a minimum 12-month period prior to approving a request for portability outside the City of Port Jervis.
- c. For a family that qualifies for Mainstream Voucher Assistance the 12- month residency within the City of Port Jervis jurisdiction requirement will be waived and portability could commence upon Voucher Issuance.
- d. if the Section 8 family is a resident of the City of Port Jervis at the time they are contacted for enrollment, the 12-month lease requirement is waived, and the family may exercise their option of portability to any other jurisdiction. However, to be admitted to another PHA's program, the family must qualify under the HUD income guidelines applicable to the receiving PHA's jurisdiction.
- e. the housing unit selected in the other PHA jurisdiction must represent permanent housing, i.e., temporary housing such as motels, hotels, or homeless shelters, will not be considered as meeting the test of domicile for the purposes of portability;
- f. the Section 8 family can be absorbed in the receiving PHA's program whereby the PJCDA will retain its Housing Choice Voucher for reissue to another eligible family on its waiting list;
- g. the Section 8 family can move to a jurisdiction that declines to absorb the PJCDA family. In these instances, the receiving PHA will assist the family and administer the PJCDA's (initial PHA) Housing Choice Voucher on behalf of the family. The

receiving PHA will bill the PJCDA for its applicable HAP payment and 80% of the PJCDA administrative fee. The initial PHA (the PJCDA) will retain 20% of its applicable administrative fee.

- h. Should the tenant family move to a jurisdiction that does not absorb them, the receiving PHA cannot bill for more than the PJCDA's Applicable Payment Standard. Should the Applicable Payment Standard for the receiving PHA be greater, the PJCDA reserves the right to deny the portability move.
- i. If the family is currently under a repayment agreement, the family cannot exercise their right to portability out of the PJCDA's jurisdiction until the Repayment Agreement is satisfied.
- j. The PJCDA reserves the right to deny portability into billing jurisdictions where the payment standard of a unit exceeds the PJCDA's current payment standard for that same size unit.

For ease of administrative and accounting procedures, the PJCDA will maintain a policy of tenant family program absorption for all Section 8-assisted families who move into the PJCDA's jurisdiction. However, should program availability be limited for absorption, the PJCDA reserves the right to administer another PHA's Housing Choice Voucher and opt for portability billing.

Q. COMPLAINTS AND APPEALS

The PJCDA conducts its programs in accordance with Federal Fair Housing Law and Equal Housing Opportunity and is the appointed Fair Housing Office for the City of Port Jervis. The City's Fair Housing Plan (revised and adopted by the City of Port Jervis Common Council on April 25, 1988) also assures the compliance of Federal Laws and Executive Orders in the administration of all housing programs and activities relating to housing and community development.

Complaints from Section 8 households alleging discrimination are referred to the Fair Housing and Equal Opportunity Division. As part of the enrollment briefings, families are also notified to file all discrimination complaints with the U.S. Department of Housing & Urban Development (HUD), Fair Housing Division, by completing and submitting a Housing Discrimination Complaint form. The PJCDA will assist families in this process. At briefing, families are given the brochure "Are you a victim of discrimination?" and that contains the application for filing a Fair Housing complaint.

Informal Fair Hearings and Reviews:

- Any participant or applicant family terminated from the PJCDA will be granted the rights of the appeal process. Families are notified, in writing, of their right to request an informal fair hearing. Applicant families may request and informal review.
- Families requesting an informal hearing or review must do so, in writing, within ten (10) days following the PJCDA's written notice of termination or other action.
- Once a request for a review or hearing is received it will be scheduled within 14 days of notice. The hearing or review must take place with 60 days of request.
- The Hearing Officer will not have been involved in the initial decision and/or finding rendered by the PJCDA. The Hearing Officer will render a decision, taking into account:
 - Any evidence to support the termination
 - all documentation contained in the tenant family's file;
 - testimony of the Section 8 family;
 - Any evidence the family presents to support their claim.
 - applicable HUD program regulations; and
 - the PJCDA Administrative Plan policies.
- A written confirmation of the decision will be provided to the family within fourteen (14) days following the date of the Informal Hearing. The decision handed down following the Informal Hearing will be the final decision in the case.
- Further appeals must be made directly through HUD.

R. MONITOR AND ASSESS PROGRAM PERFORMANCE

Section 8 staff continually monitor the Housing Choice Vouchers issued and Housing Choice Voucher contracts executed on behalf of participant households. Records are maintained for program tracking purposes and program performance is reported to the HUD Public Housing Division through the MTCS and SEMAP reporting systems. The PJCDA utilizes HAPPY Software to reinforce the accurate and efficient administration of the Section 8 program and delivery of program services.

The PJCDA conducts owner outreach to identify additional rental units and contact with area realtors regarding unadvertised listings for vacant units.

To keep abreast of changes in HUD program regulations and policies, the PJCDA monitors all PIH notices. Furthermore, all relevant changes are implemented in a timely manner. As such, the PJCDA will review the contents of its 5-Year Administrative Plan on an annual basis to ensure that the policies and procedures contained herein, are current, accurate and in strict compliance with all HUD regulations.

S. FAIR HOUSING & EQUAL OPPORTUNITY

The City of Port Jervis conducts its business and administers all local, state and federally-assisted programs in strict accordance with Federal Fair Housing Law and Equal Housing Opportunity for the benefit of all Port Jervis citizens. The City has appointed the PJCDA Director as the Fair Housing Officer responsible for enforcement of the provisions of the City's Fair Housing Plan and PJCDA's Fair Housing & Equal Opportunity Plan. The PJCDA is proactive in all Fair Housing practices and ensures that tenants and landlords are educated about their rights and responsibilities.

T. OUTSTANDING HOUSING PERFORMANCE

The City of Port Jervis continues to maintain a record of high housing performance with a solid commitment to extra low and moderate income residents, disenfranchised families and disabled/handicapped residents of the community. The City of Port Jervis targets its programs, services and activities to expand housing choice among tenants, homeowners and first-time homebuyers through the promotion of Fair Housing practices for the benefit of all citizens, with priority afforded to extra low and moderate income families who are the most likely group to experience exclusion in the private housing market. The PJCDA is committed to help making homeownership available to these groups through Section 8 homeownership and the first-time home buyer programs.

III. SPECIAL PURPOSES FUNDING

A. SECTION 8 FUNDING

Since inception of the City's Section 8 Program in 1979, the PJCDA has successfully secured funding for a total of 327 units to assist Extra Low Income families living in the City of Port Jervis. However, due to substantial budget cutbacks, PJCDA has been unable to maintain 100% lease up of the 327 units. As a result, PJCDA will maximize its funding sources when it achieves 191 leased units.

During FY1998, PJCDA received an allocation of fifteen (15) Section 8 Certificates (later converted to Housing Choice Vouchers and now known as Mainstream Vouchers) dedicated to Extra-Low Income persons with disabilities. This Special Purposes funding has allowed the PJCDA to target needed housing assistance for the City's disabled, handicapped and frail elderly persons who experience greater hardships in the private rental housing marketplace. Rent subsidies will expand housing choice for these individuals and enable persons with disabilities to secure safe and affordable housing at affordable rents.

As an integral part of the City's Section 8 Housing Choice Voucher Program, PJCDA also administers a Family Self-Sufficiency (FSS) Program. This program helps to empower Extra Low Income families to access other critical services including job training, education, child care, transportation, affordable health care, family counseling, parenting skills and gainful

employment. Administered by the PJCDA, the City's FSS Program assists Extra Low Income families to achieve stability and financial independence through a combination of housing assistance and support services.

B. OTHER FEDERAL AND STATE ASSISTED HOUSING PROGRAMS

1. Section 8 Funding

A. In addition to the City's Section 8 Housing Choice Voucher Program, the PJCDA administers several other state and federally-assisted programs for the benefit of the City's Extra Low Income (ELI) citizens. The goals of the City's housing programs are to improve the City's existing housing stock, create new affordable housing and expand housing choice and opportunities for all residents, with priority afforded to ELI persons and families. Other programs either administered by the PJCDA or advocated for the City by the PJCDA include:

- HUD-funded HOME program (as an active member of the Orange County HOME Program Consortium);
- Small Cities Community Development Block Grant (CDBG) Program, administered by the NYS Governor's Office;
- Programs funded through the USDA Rural Development, i.e., the 504 housing rehabilitation program;
- Partnering with, or referring properties in need of rehabilitation to, local not-for-profit agencies such as RECAP, Inc. or Orange County Community Development.

In recognizing the need to expand housing opportunities for LMI and first-time homebuyers, PJCDA has prepared a comprehensive Affordable Homeownership Plan and invited the Regional Economic Community Action Program (RECAP) to partner with PJCDA for a community-based homeownership program. RECAP, an Orange County not-for-profit Agency, is an experienced housing provider offering down-payment assistance and housing counseling services for LMI, first-time homebuyers.

2. Section 8 Homeownership

Eligible units are as follows:

- a. Single-family home
- b. New construction with environmental review completed
- c. Under construction
- d. Existing homes -Homes occupied under a lease-purchase agreement

Down Payment

- a. 3 % of purchase price of the home will come from community resources, such as Revolving Loan Fund through PathStone up to \$7,500, or First Home Club: Savers Program \$7,500 grant and the Orange County Home Grant up to \$10,000.00.
- b. 1% of the purchase price will come from families' personal resources.

Recapture of Home Owner Assistance-

The PJCDA will not impose any recapture provisions for the monthly housing choice voucher assistance in the Home Ownership Voucher Program. Upon sale of the home and if still eligible, a family may move and utilize its voucher for either rental assistance or home ownership assistance. If home ownership assistance is chosen, then the term limits remain in effect and the family will be entitled to utilize the remaining term. With regard to the payment standard and sale of the home, voucher rules covering relocation become effective. During this time the payment standard and voucher size will be adjusted to accommodate the family size or composition.

Eligibility Requirements for Families -

a) Unless otherwise approved by PJCDA, any family may be considered for home ownership assistance provided they are eligible participant in the Housing Choice Voucher (HCV) rental assistance program and in PJCDA's jurisdiction for at least 12 months. This could be waived or reduced for a port-in, or a reasonable accommodation. Applicants cannot be taken from the wait list. The individual or family must also be in compliance with program regulations and in good standing.

b) Family must meet the definition of a first time homebuyer - A family of which no member owned any present ownership interest in a residence of any family member during the three years before commencement of homeownership assistance for the family. The term "first-time homeowner" includes a single parent or displaced homemaker who, while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse.

c) Prohibition against assistance to a family that has defaulted- Any household member of the assisted family that was an adult at the time that they defaulted on a mortgage using homeownership assistance is prohibited from participating in the Homeownership program.

d) Families must meet the employment guideline - non-disabled families one or more adult homeowners must have been continuously employed full time for at least a year before homeownership assistance begins. Full time is defined as an average of 30 hours per week. For families, whose head of household or spouse that meet the HUD definition of disabled or elderly the employment requirement is waived

e) Families must meet the income guideline the minimum income requirement is as follows- non disabled families- the current federal minimum wage X 2000 (an average of 30 hours a week). For disabled families meeting the HUD definition the minimum income guideline is waived as long as income is from a stable source and meets the current minimum SSI monthly standard. PJCDA will not seek a higher minimum income requirement at this time.

f) No participant in the PJCDA Section 8 Homeownership program can own any Interest in a residence except for a cooperative when homeownership

assistance begins.

g) Home Ownership counseling- Families must attend at least 8 hours of HUD approved Home Buyer education classes or an approved online Home education class such as EHOME. This must be done within two years of the beginning of homeownership assistance, and they must receive a certification of completion. For those families whose certificate has expired they will need to do a refresher course.

h) Topics of Homeownership Counseling that must be covered:

- i) Home Maintenance including grounds care.
- ii) Budgeting and money management ii) Credit counseling
- iii) Finding a home including information on the community
- iv) Negotiating home price and diverse types of financing
- v) Fair housing and Fair lending

The PJCDA will strongly encourage our families to attend post - purchase counseling Topics included but not limited to-home maintenance, managing debt after home ownership occurs, protecting your assets, record keeping, preventive maintenance, basic home repair, taxes and insurance and foreclosure avoidance.

i) Home Inspections and HQS- The potential home must pass HQS before assistance can commence. We will try to inspect the home before the professional inspection is done to save the family any undue financial hardship. Systems must be functional and be tested systems include heat, water, and electric services. Independent Inspection- Families will select and pay for an independent inspection by a professional home inspector. Home inspectors must have certification from the American Society of Home Inspectors or a similar national organization. Inspection must include foundation, building exterior and interior, roof, plumbing, electrical systems and heating systems. This report must be provided to PJCDA. Home Ownership Assistance will not commence until this report is reviewed by PJCDA. For USDA mortgages we can use the USDA required inspection report.

j) Affordability and financing- PJCDA will not make partial month payments for home ownership. Assistance begins the first of the month after the unit passes inspection. PJCDA will be responsible for determining the amount of the home ownership assistance to be provided. Once the family has met all Section 8 requirements of the home ownership process and has applied for the mortgage PJCDA will supply the following to the lender, the total gross rent for this family, total tenant payment, the current payment standard, and the estimated housing assistance payment the lender will be notified that these numbers are subject to change once the accurate mortgage, interest, taxes, and insurance payment are in. As per regulations the payment standard will never be less than the payment standard at the time home ownership payments begin.

k) Monthly home ownership expenses to be considered include:

- Principal, interest, taxes, insurance (PITI)
- Principal and interest on debt incurred to finance major repairs
- Utilities- PJCDA will use the lesser of the allowance for the bedroom size the family is purchasing or the allowance for the bedroom size the family is eligible for.
- A monthly allowance for routine maintenance and for major repairs of \$25.00 for each. This is so families can establish savings; the PJCDA will track this during the recertification process.
- The housing assistance payment may be made directly to the lender or the family depending on the request of the lender and the ability to accept payments from PJCDA and the family.
- Mortgage Financing and Down Payments – PJCDA will not approve any financing or re-financing if the housing counseling partner or this agency determines that the debt is unaffordable, or the loan terms are oppressive.
- The voucher holder must be on both the deed and the mortgage.
- Mortgage financing affordability will be defined by the following debt-to-income ratios:
 - the front-end ratio (housing debt-to-income) should be no higher than 40%; and the back-end ratio (all debt-to-income) should not exceed 45%.

The mortgage loan financing used for the purchase of the home must meet one of the following criteria:

- i. provided, insured, or guaranteed by state or federal government
- ii. complies with secondary mortgage market underwriting requirements
- iii. complies with generally accepted private sector underwriting standards

Interest-only loans, balloon payments, and adjustable rate mortgages are not permitted. Lease-purchase agreements will be permitted, but only upon review by PJCDA before any binding agreement is reached. Refinancing could be possible for a lower interest rate or capital improvement however it must be approved by PJCDA and cash out of equity is not allowed.

Family Obligations:

- a. The family must leave their rental unit in good condition before transferring assistance to the home ownership program.

- b. The family must comply with the terms of any mortgage which secures the debt.
- c. During the time the family is receiving home ownership assistance the family may not sell, convey or transfer any interest in the home to any entity or person this includes subletting or leasing.
- d. The assisted home must be the family's only residence.
- e. All information supplied by the family must be true and complete, they must recertify once a year in person.
- f. Any change in Household income must be reported at the time of occurrence. The family must supply all information necessary to complete an interim recertification.
- g. The family must immediately notify PJCDA if the family becomes delinquent mortgage and must agree to work with the housing counselors to work out terms for becoming current.
- h. Loss of employment: If a family loses a full-time job we will require the family to attend post-purchase counseling and may be required to join our FSS program.

Maximum Term of Assistance:

Participant Families with an initial mortgage of 20 years or more the maximum term for subsidy is 15 years. Unless:

- a. The family is Elderly/Disabled and meets the HUD definition then the term of assistance is waived.
- b. Any families with a mortgage term of less than 20 years the maximum term for subsidy is 10 years.

Environmental Requirements:

- a. PJCDA will require homes in the flood zone to acquire flood insurance.
- b. Required Paperwork

Before Closing:

- a. Contract of Sale – Must be fully executed and must specify price and terms from seller to purchaser. The provisions must include allowances for purchaser to set up an independent inspection and purchaser is not obligated to purchase the home unless it passes inspection (Contract Contingency Statement). PJCDA has the right to deny any seller due to disapproval of an owner.
- b. Loan Estimate Form

After Closing:

File Documents- These are permanent documents and must be maintained in H O file for as long as assistance is provided and 3 years thereafter

1. Prequalification application
2. Releases of information
3. Signed statement never defaulted on a mortgage under Section 8 Assistance
4. Proofs of eligibility -full time employment for a year
5. Disability letter (if disabled)
6. Home Ownership Voucher
7. Signed Statement of Family Obligations (signed)(HUD Form 52649)
8. Home Ownership Counseling Courses Completion Certificates
9. Credit Report(s) or confirmation of Credit Score
10. Excel Worksheet estimating HAP for Home Ownership
11. Copy of Mortgage Commitment Letter
12. Signed Statement from seller that he/she is not prohibited from participating in any HUD program
13. HQS Inspection report & Professional inspection report.
14. Copy of Deed (or Cooperative Shares, if applicable)
15. Mortgage document (as proof of competitive interest rate & terms)

Permanent File Documents Continued:

16. Copy of HUD-1 Settlement Statement
17. Proof of family contribution toward 3% down payment (1%) was from personal resources (if the mortgage product used required down payment)
18. Optional: Photo of Home purchased and release of information to use for PJCDA program promotional purposes

H O Recertification

Families will recertify once a year in person and must provide proof of:

1. Income and family composition
2. Home Owners Insurance Policy or declaration page
3. Mortgage is current
4. School and Property taxes are current
5. Utilities are current
6. If taxes and insurance are escrowed the escrow summary is needed to show that taxes and insurance are current.
7. Proof that they have an established savings account for maintenance and repairs

Portability:

Families who are determined eligible for the home ownership program and are in good standing with PJCDA, may port out to anywhere in the US for home ownership, as long as the

receiving PHA administers a Section 8 home ownership program and is accepting new families.

IV. PROGRAM STAFFING AND ADMINISTRATION

A. SECTION 8 PROGRAM STAFFING & JOB RESPONSIBILITIES

Staffing for the City of Port Jervis Section 8 Programs includes the following personnel:

1. **Executive Director** of the Port Jervis Community Development Agency is responsible for the overall supervision of programs and provides technical guidance to staff members.
2. **Housing Program Administrator** of the Port Jervis Community Development Agency is the principal staff person responsible for day-to-day management of program activities and functions as set forth in this Plan.
3. **Family Services Coordinator** assists the Housing Program Administrator with the development, implementation, and on-going activities of the Family Self-Sufficiency Program and performs case management duties for the Section 8 Housing Choice Voucher Program.
4. **Rehabilitation Specialist** conducts the Section 8 housing inspections and assists in the compliance of HUD Housing Quality Standards for Section 8-assisted units.
5. **The PJCDA Bookkeeper** handles the bookkeeping, general accounting functions and preparation of financial statements/reports in accordance with program requirements.

The **PJCDA Executive Director** provides overall supervision and support to staff, secures approval of Annual Contributions Contracts (ACC), monitors program operations, prepares budgets and requisitions, writes, monitors and amends the 5-Year Administrative Plan and PHA 5-Year Plan, seeks new funding sources through grant writing, provides advice and direction to the Housing Program Administrator and maintains communications with the PJCDA Board of Directors, City Mayor, and City Common Council on program development and activities.

The **Housing Program Administrator** administers the day-to-day activities of the Section 8 program including program enrollment, monitoring of the waitlist, tracking of program lease up and administrative fees, issuance of Section 8 Housing Choice Vouchers, preparation of HUD reports, contacts with area property owners, tenant groups, and coordination of the program's outreach efforts.

With the assistance of the Family Services Coordinator, the **Housing Program Administrator** handles application/waitlist/preference procedures, determinations of family eligibility, leasing,

execution of HAP contracts, and the dissemination of information pertaining to program requirements and activities. This person is also responsible to submit monthly to the HUD Voucher Management System (VMS) and the HUD Multifamily tenant characteristics system (MTCS) as required.

The **Family Services Coordinator** handles the daily functions of the FSS Program including enrollment, family briefings, annual/interim recertification's, income verifications, calculations of total tenant payment (TTP), processing and issuing of Housing Assistance Payments (HAPs) to owner participants, maintaining records, certifying rent reasonableness, providing on-going assistance to participant households, and referrals to other social service agencies. The Family Self-Sufficiency Coordinator also performs case management duties and functions under the Section 8 Housing Choice Voucher Program.

The **Rehabilitation Specialist** assists in the inspection process of all leased units for compliance of HUD HQS and occupancy standards. The Rehabilitation Specialist files reports of unit deficiencies with owner participants, conducts re-inspections and special inspections as requested by tenant families and owners, and maintains communications with the City Building Official relating to unit deficiencies which pose a health/safety hazard to Section 8 tenant occupants. The Rehabilitation Specialist also monitors housing units for lead-based paint and asbestos hazards to ensure the Section 8 assisted units are in strict compliance with program requirements.

The PJCDA also retains the services of an accountant who will update and transfer the program journals to the General Ledger, prepare 1099 forms for owner participants, prepare and issue Year-End Financial Statements as required by HUD, prepare and file the required GAAP reports and provide assistance to Section 8 staff during audits. The PJCDA also retains the services of an attorney who will offer legal counsel/advice, as and when needed for program administration and activities.

B. PROGRAM ADMINISTRATION

The cost for the PJCDA Section 8 Housing Program staff and administration is covered by fees earned based on the number of units leased up for the Program, i.e., number of eligible families under lease and receiving rent subsidies. Administrative fees earned are computed on a monthly basis and used to cover eligible and approved program delivery and operating costs including:

- a. staff salaries and benefits;
- b. equipment and maintenance;
- c. sundries (office supplies, postage, etc.);
- d. accounting and audit costs;
- e. legal expenses;
- f. other housing program costs in support of the Section 8 Program including related housing activities and support services.

All program administrative expenses must be pre-approved by the PJCDA Director. Further, any single purpose/item expense which exceeds \$100.00 must receive prior approval by the PJCDA Board of Directors.

C. *THE PJCDA BOARD OF DIRECTORS, AGENCY POLICIES & PROGRAM OVERSIGHT*

As determined by the political composition of the Common Council, the PJCDA is governed by a 5-member or 7-member Board of Directors, appointed by the City Mayor and approved by the Common Council, who volunteer their time and service to the Agency. The PJCDA Board of Directors directs policy, approves budgets and expenses, and is responsible for Section 8 Program oversight including fiscal management, policy decisions, adherence to HUD regulations, and technical guidance to the PJCDA Director and Agency staff.

Each calendar year, the PJCDA Director prepares an annual Administrative Budget for the Section 8 Housing Program which runs concurrent with the federal fiscal year of the Program, e.g., October 1 to September 30th. A request to change the fiscal year to that of the cities from January 1 to December 31 was in process and is now complete. The Budget is reviewed and approved by the PJCDA Board of Directors and periodically reviewed by the PJCDA Director to track administrative fees earned and expenses incurred to ensure all program expenditures are within budget limitations.

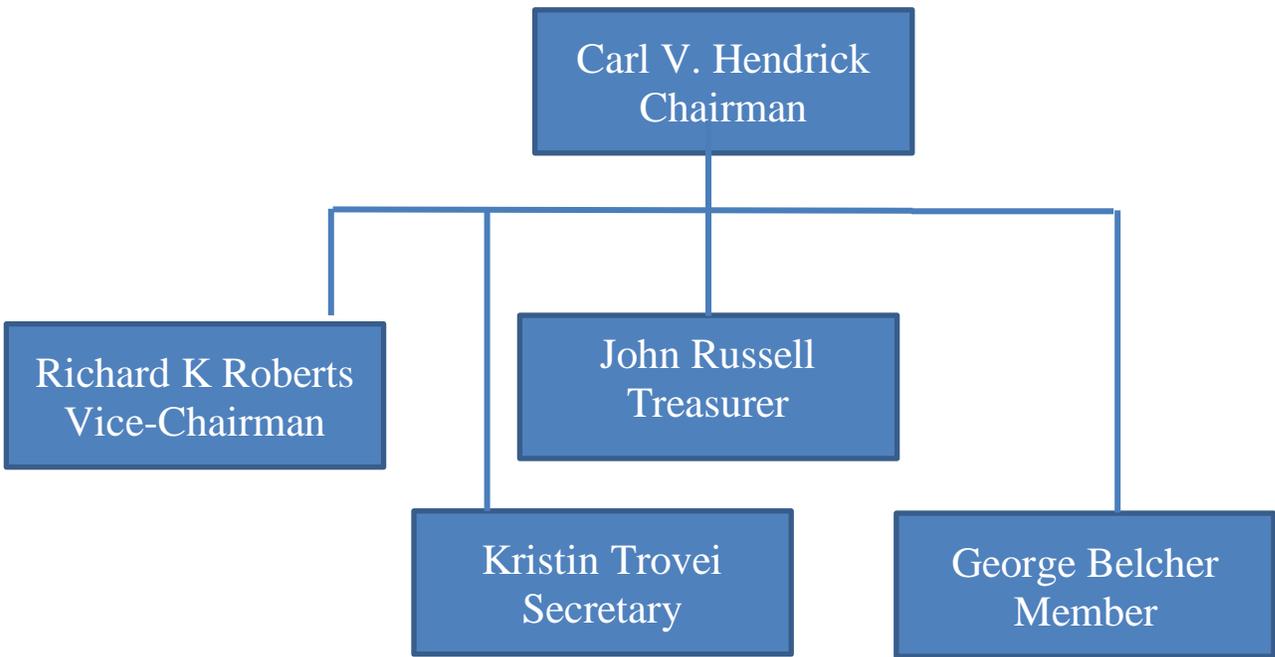
Administrative fees earned in excess of program expenditures during any given fiscal year of the PJCDA is credited to the Operating Reserve Account in accordance with HUD program regulations. This account is monitored and updated annually by the PJCDA accountant, following preparation of the Year-End Financial Statements.

Operating Reserve funds may be expended for eligible Section 8 Program costs and the PJCDA housing purposes, only after all current fiscal year administrative fees have been exhausted. Further, the PJCDA Board of Directors must grant written prior approval for any monies to be expended from the Operating Reserve Account.

In accordance with the provision of the Single Audit Act, the Section 8 Program is audited on an annual basis by an independent accounting firm selected by the City of Port Jervis in accordance with federal procurement requirements. A comprehensive audit report is prepared and submitted to the U.S. Department of Housing and Urban Development, citing any audit findings or concerns. The PJCDA must respond in a timely manner to any and all audit findings and remedial actions must be taken and documented to HUD, as appropriate.

CITY OF PORT JERVIS PORT JERVIS COMMUNITY DEVELOPMENT AGENCY

The PJCDA Board of Directors



PHA MANAGEMENT ORGANIZATION CHART

