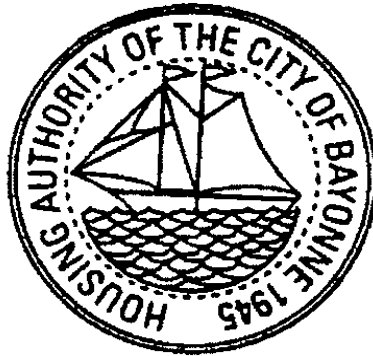


HOUSING AUTHORITY OF THE CITY OF BAYONNE



ADMISSIONS AND CONTINUED OCCUPANCY POLICY | HOTMA Update

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1.0 INTRODUCTION/PURPOSE

1.1 Mission Statement:

The Bayonne Housing Authority (the “Authority” or “BHA”) is committed to providing decent, safe and sanitary housing to eligible applicants within our jurisdiction, and tenants in occupancy, as well as to foster tenant responsibility and community pride.

1.2 Purpose of Policy:

This Admissions and Continued Occupancy Policy (“ACOP”) is the policy of the Board of Commissioners of the Bayonne Housing Authority governing public housing occupancy in properties the Authority owns and manages.

The purpose of this document is to explain the policies, rules and procedures of the Authority, as they relate to the admission and continued occupancy of tenants in public housing. The ACOP also states the rules and procedures employed to calculate rent. It complies with the principles in Section 206 of the Housing and Community Development Amendments of 1979, Section 203 of the Housing and Urban Rural Recovery Act of 1983 and the Quality Housing and Work Responsibility Act of 1998 (“QHWRA”).

Whereas it is the policy of the Authority to fulfill the stipulations expressed in the U.S. Housing Act of 1937 and all subsequent amendments thereto as enacted by the Housing and Community Development Acts in the operation of all low-income public housing under its administration. And whereas the Authority finds it necessary to delineate the admission, continued occupancy and rental policies and practices, and set priorities so as to accomplish its commitment to provide decent, safe and sanitary housing to eligible applicants, and tenants in occupancy. It is pursuant to this goal that the Authority establishes the following criteria pertinent to eligibility for admission to its low-income housing developments under its jurisdiction, as well as rules and regulations to determine the calculation of rents. Notwithstanding the above, changes in applicable federal law or regulations as per 24 CFR Part 900 shall supersede provisions in conflict with this policy.

1.3 Updating the Policy:

The Authority will review and update the ACOP, to comply with changes in regulations, Authority operations, or when needed to ensure staff consistency in operation. On an ongoing basis, the Authority may make minor, non-substantive modifications to the ACOP in order to clarify existing policies and procedures and/or to correct editing errors. During times of a federal, state and/or local emergency, the Executive Director or designee shall have discretion to modify non-statutory policies and procedures to expedite operations and actions that benefit and safeguard tenants and staff. The original policy and any changes will be approved by Authority’s Board of Commissioners. Pertinent sections of the ACOP will be included in the Agency Plan, and a copy provided to HUD.

On July 29, 2016, the Housing Opportunity Through Modernization Act of 2016 (HOTMA) was signed into law. HOTMA made numerous changes to statutes governing HUD programs, including sections of the United States Housing Act of 1937. Title I of HOTMA contains 14 different sections that impact the public housing and Section 8 programs. The Final Rule implementing broad changes to income and asset in Sections 102 and 104 of HOTMA, and for PHAs that administer the public housing program over-income provisions in Section 103, was

officially published in the Federal Register on February 14, 2023. On September 29, 2023, HUD issued notice PIH 2023-27, which provided guidance to PHAs on the implementation of the program changes described in the Final Rule.

1.4 Fair Housing Policy/Non-Discrimination:

The Authority shall not discriminate on the basis of race, color, sex, religion, familial status, disability, national origin, marital status, gender identity or sexual orientation in the leasing, rental, occupancy or other disposition of housing or related facilities, including land, that is part of any community or communities under the Authority's jurisdiction covered by a contract for annual contributions with HUD under the United States Housing Act of 1937, as amended, or in the use or occupancy thereof. The Authority will comply fully with all federal, state and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- a) Title VI of the Civil Rights Act of 1964, which forbids discrimination on the basis of race, color, religion, national origin or sex; **24 CFR § 1, 100, 107 and 146;**
- b) Title VIII of the Civil Rights Act of 1968 (as amended by the 1974 HCDA and the Fair Housing Amendments Act of 1988), which extends protection against discrimination based on disability and familial status, and spells out forms of prohibited discrimination; **24 CFR § 100;**
- c) Executive Order 11063 as amended by Executive Order 12259;
- d) Section 504 of the Rehabilitation Act of 1973, which describes specific housing rights of persons with disabilities; **24 CFR § 8;**
- e) Age Discrimination Act of 1975, which establishes certain rights of the elderly; **24 CFR § 146;**
- f) Title II of the Americans with Disabilities Act and the Fair Housing Amendments. Title II deals with common areas and public space, not living units; and
- g) The Violence Against Women Act of 2005, the Violence Against Women Reauthorization Act of 2013 (VAWA), and the Violence Against Women Reauthorization Act of 2013: Implementation in HUD Housing Programs.
- h) Any applicable State laws or local ordinances.

The Authority will make determinations of eligibility for housing in accordance with the eligibility requirements provided for such program by HUD, and such housing shall be made available without regard to actual or perceived sexual orientation, gender identity, or marital status. Gender identity means actual or perceived gender-related characteristics. Sexual orientation means homosexuality, heterosexuality, or bisexuality.

The Authority will not make any inquiries related sexual orientation or gender identity. The Authority will not inquire about the sexual orientation or gender identity of an applicant for, or occupant for, the purpose of determining eligibility for the housing or otherwise making such

housing available. This prohibition on inquiries regarding sexual orientation or gender identity does not prohibit any individual from voluntarily self-identifying sexual orientation or gender identity. This prohibition on inquiries does not prohibit lawful inquiries of an applicant or occupant's sex where the housing provided or to be provided to the individual is temporary, emergency shelter that involves the sharing of sleeping areas or bathrooms, or inquiries made for the purpose of determining the number of bedrooms to which a household may be entitled.

The family should advise the Authority if an applicant or tenant family believes that any family member has been discriminated against by the Authority. The Authority will make every reasonable attempt to determine whether the applicant or tenant family assertions have merit and take any warranted corrective action.

The Authority will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO). Discrimination complaint information and forms are available on the HUD website at <http://www.hud.gov/offices/fheo/online-complaint.cfm> (Public Housing Occupancy Guidebook PHOG Pg. 15).

The main office of the Authority is the location where admissions application will be accepted. This location shall provide circumstances for acceptance of applications as well as afford the applicant the greatest opportunity for the exercise of his rights under the tenant selection and assignment plan adopted by the Authority. In an effort to provide a decent home and a suitable living environment, which fosters economic and social mobility in the tenant body as a whole, the Authority hereby adopts policies and procedures which embody standards and criteria for tenant selection that take into consideration the needs of individual families for low-income housing, as well as the statutory purpose in developing and operating socially and financially sound low-income housing developments.

The policies and procedures have been designed so as to avoid concentration of the most economically deprived families in any one of the Authority's low-income housing sites and preclude admission of applicants whose habits and practices may have a detrimental effect on the health, safety and welfare of the tenants. It is the goal of the Authority to attain a stable tenant body comprised of families with a broad range of incomes.

The policies and procedures have been designed in such a way so as not to deny admission to any particular group or category or otherwise eligible applicants. They assure the objective and reasonable selection among eligible applicants and are consistent with the Authority's responsibilities as a public body. Finally, they comply with state, local and federal laws and regulations as well as the provisions of the Annual Contributions Contract governing the flow of funds between HUD and the Authority.

1.5 Affirmative Marketing:

It is the responsibility of the Authority to conduct all marketing activities in an open and clear manner. Marketing and informational materials will comply with Fair Housing Act requirements.

The Authority will conduct affirmative marketing as needed so the waiting list includes a mix of applicants with races, ethnic backgrounds, ages and disabilities proportionate to the mix of those groups in the eligible population of the area. The marketing plan will take into consideration the

number and distribution of vacant units, units that can be expected to become vacant because of move-outs, and characteristics of families on the waiting list. The Authority will review these factors as needed based upon the waiting list to determine the need for and scope of marketing efforts. All marketing efforts will include outreach to those least likely to apply.

Marketing and informational materials will: (a) Comply with Fair Housing Act requirements on wording, logo, size of type, etc.; (b) Describe the housing units, application process, waiting list and preference structure accurately; (c) Use clear and easy to understand terms and more than strictly English-language print media; (d) Contact agencies that serve potentially qualified applicants least likely to apply (e.g. the disabled) to ensure that accessible/adaptable units are offered to applicants who need their features; (e) Make clear who is eligible: low income individuals and families; working and nonworking people; and people with both physical and mental disabilities; and (f) Be clear about the Authority's responsibility to provide reasonable accommodations to people with disabilities.

1.6 Improving Access to Services for Persons With Limited English Proficiency (LEP):

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the PH program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Final Guidance to Federal Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007, in the Federal Register.

The BHA will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).

LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this ACOP, LEP persons are PH applicants and tenants, and parents and family members of applicants and tenants.

In order to determine the level of access needed by LEP persons, the BHA will balance the following four factors: (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the Public Housing Program; (2) the frequency with which LEP persons come into contact with the program; (3) the nature and importance of the program, activity, or service provided by the program to people's lives; and (4) the resources available to the BHA and costs. Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on the BHA.

Resources available to the BHA may include obtaining written or oral translation services or drawing on the language skills of staff members. Also, if the family has a member who speaks English or brings another person along to interpret, agreeing to communicate through these individuals could be utilized. Additionally, the BHA will allow a reasonable time for documents to be translated.

Oral Interpretation:

BHA Policy

The BHA will offer competent interpretation services free of charge, upon request, to the LEP person.

When exercising the option to conduct remote informal reviews, informal hearings; the BHA will coordinate with a remote language interpretation service which uses video conferencing technology over voice-only interpretation.

The BHA will analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. "Reasonable steps" may not be reasonable where the costs imposed substantially exceed the benefits.

Where LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by the BHA. The interpreter may be a family member or friend. The BHA could also refer applicants and participants to agencies who assist ethnic groups with translation services. The Authority may also utilize telephonic or other available forms of translation services, as needed.

Where feasible and possible the BHA will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents.

The Authority has bilingual staff to assist non-English speaking families in the following languages: Spanish, and Arabic (Egyptian dialect)

Written Translation:

BHA Policy

In order to comply with written-translation obligations, the BHA will translate documents as needed.

In determining whether it is feasible to translate documents into other languages, the Authority will consider the following factors:

- Number of applicants and participants who do not speak English.
- Cost of translation into the other language per/client who speaks the language.
- The availability of organizations to translate documents, letters and forms for non-English speaking families.
- Availability of bi-lingual staff to explain un-translated documents to clients.

1.7 Violence Against Women Act (VAWA):

The purpose of this policy (herein called "VAWA") is to implement the applicable provisions of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Pub. L. 109-162), as amended to date, and more generally to set forth the Authority's policies and procedures regarding domestic violence, dating violence, sexual assault, and stalking, as hereinafter defined.

The VAWA policy shall be applicable to the administration, by the Authority, of all federally subsidized public housing and Section 8 rental assistance under the United States Housing Act of 1937 (42 U.S.C. S1437 et seq.). Notwithstanding its title, the VAWA policy is gender-neutral, and its protections are available to males who are victims of domestic violence, dating violence, sexual assault, or stalking, as well as female victims of such violence.

Consistent with HUD'S Nondiscrimination and Equal Opportunity requirements, victims of domestic violence, dating violence, sexual assault and stalking cannot be discriminated against on the basis of any characteristic or trait protected under law, including race, color, religion, sex, disability, familial status, national origin, or age, and HUD programs must also be operated consistently with HUD's Equal Access Rule (HUD - assisted housing must be made available to all otherwise eligible individuals and families without regard to actual or perceived sexual orientation, gender identity or marital status). The Authority's full VAWA policy is incorporated herein by reference. See Exhibit K

1.8 Reasonable Accommodation:

A family may request a reasonable accommodation to program rules, policies, practices or services, including to the Live-In-Aide policy, to permit program participation by individuals with disabilities. However, the Authority is not required to reduce or waive essential eligibility or occupancy requirements. Designations of disability and/or requests for reasonable accommodations may be subject to annual review. As such, the Authority's full Reasonable Accommodation policy is incorporated herein by reference. See Exhibit B

I. Termination and Reasonable Accommodation

A head of household or co-head may request a reasonable accommodation at any time during tenancy, up until eviction or forcible removal.

If the family includes a person with disabilities, the Authority's decision to terminate the family's lease is subject to consideration of reasonable accommodation in accordance with **24 CFR Part 8**.

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of lease, the Authority will determine whether the behavior is related to the disability. If so, upon the family's request, the Authority will determine whether alternative measures are appropriate as a reasonable accommodation. The Authority will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed lease termination.

II. Service or Assistance Animals

Authority tenants with disabilities are permitted to have service or assistance animals, if such animals are necessary as a reasonable accommodation for their disabilities. Authority tenants or potential tenants who need an assistance animal as a reasonable accommodation must request the accommodation in accordance with the Reasonable Accommodation Policy. Assistance animals are not subject to the fee requirements of the Authority's Pet policy incorporated herein by reference. See Exhibit G

1.9 Customer Service:

It is the policy of the Authority to provide courteous and efficient service to all applicants for housing assistance and all tenants. In that regard, the Authority will endeavor to accommodate persons with disabilities, as well as those persons with limited English proficiency (LEP) barriers.

1.10 Language Translation/Literacy Assistance:

Upon request, the Authority will provide language interpreters to applicants and tenants whose primary language is other than English. The Authority has bi-lingual staff members who can assist Spanish speaking applicants and tenants or a professional interpreting service or translating device may be used to assist tenants and applicants.

Upon request, the Authority will provide applicants and tenants with a reader to assist illiterate persons. This reader will assist in completing the application and certification process.

2.0 ELIGIBILITY

2.1 Eligibility Criteria:

The Authority is responsible for ensuring that every individual and family admitted to the public housing program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the Authority to confirm eligibility and determine the level of the family's assistance.

To be eligible for the public housing program, the applicant family must:

- a) Qualify as a family which is defined in **24 CFR 5.403** (see Section 2.2 Definition of Family for further details);
- b) Have annual income at or below HUD specified income limits at the time of admission;
- c) Qualify on the basis of citizenship or the eligible immigrant status of family members;
- d) Provide social security number information for household members as required or can document and certify that they do not have Social Security numbers;
- e) Consent to the Authority's collection and use of family information as provided for in Authority consent forms; and
- f) Is a head of household and each family member, who is at least 18 years of age and legally competent, shall sign one or more consent forms, or other materials necessary to complete or verify the family's eligibility for housing assistance.

- g) Meet the applicant selection and suitability criteria.
- h) Not currently be receiving a duplicative subsidy.
- i) Meet net asset and property ownership restriction requirements.

Meeting the above eligibility requirements does NOT in itself entitle an applicant to public housing eligibility with the Authority. All applicants must meet the full eligibility criteria, which are used to determine if an applicant will make a suitable tenant, as stated in other provisions in this Section and in other relevant sections of the ACOP.

2.2 Definition of Family

Family is a person or group of persons, as determined by the Authority consistent with **24 CFR 5.403**, approved to reside in a unit with assistance under the program. A household may be considered a family irrespective of actual or perceived gender identity, sexual orientation or marital status.

Family includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or
- A group of persons residing together, and such group includes, but is not limited to:
 - A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
 - An elderly family;
 - A near-elderly family;
 - A disabled family;
 - A displaced family; and
 - The remaining member of a tenant family.

Each family must identify the individuals to be included in the household at the time of application, and must notify the Authority if the family's composition changes.

A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law. The Authority recognizes that a variety of relationships exist, which are not necessarily relationships of ancestry or marriage. Each family must identify the individuals to be included in the family composition and must update this information if the family's composition changes. The term family prohibits the exclusion of otherwise qualified persons who may identify as Lesbian, Gay, Bi- or Transsexual (LGBT) individuals who have an LGBT relations or who may be perceived as such.

2.3 Head of Household [24 CFR 5.504(b)]:

Head of household means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a

cohead or spouse.

BHA Policy

The family may designate any qualified family member as the head of household.

The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

2.4 Spouse of Head of Household:

Spouse means marriage partner of the head of household. A marriage partner includes the partner in a common law marriage as defined in state law.

BHA Policy

A *marriage partner* includes the partner in a "common law" marriage as defined in state law. The term "spouse" does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.

The definition of spouse is: the marriage partner who, in order to dissolve the relationship, would have to be divorced.

2.5 Co-Head of Household:

A co-head is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all its responsibilities under the program, but who is not a spouse. A family can have only one co-head.

BHA Policy

Minors who are emancipated under state law may be designated as a co-head.

2.6 Other Adult of Household:

Other adult means a family member, other than the Head, spouse, or co-head, who is 18 years of age or older. Foster adults and Live-In-Aides are not considered other adults.

2.7 Dependents and Minors [24 CFR 5.603]:

A minor is a member of the family, other than the head of family or spouse, who is under 18 years of age.

A *dependent* is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: the head of household, spouse, cohead, foster children/adults and live-in aides. Identifying each dependent in the family is important because each dependent qualifies the family for a dependent allowance as described in Section 9.

2.8 Joint Custody of Dependents:

BHA Policy

Dependents that are subject to a joint custody arrangement will be considered member of the family, if they live with the applicant or participant family 50 percent or more of the time.

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

2.9 Full-Time Student [24 CFR 5.603]:

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

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

2.10 Persons with Disabilities and Disabled Family [24 CFR 5.403, FR Notice 02/03/12]

Persons with Disabilities:

Under the PH program, special rules apply to persons with disabilities and to any family whose head, spouse, or cohead is a person with disabilities.

Disabled Family:

A *disabled family* is one in which the head, spouse, or cohead is a person with disabilities. Identifying disabled families is important because these families qualify for the disabled family allowance as described in Section 9.

2.11 Foster Children and Foster Adults [24 CFR 5.603]

A *foster adult* is a member of the household who is 18 years of age or older and meets the definition of a *foster adult* under state law. In general, a foster adult is a person who is 18 years of age or older, is unable to live independently due to a debilitating physical or mental condition and is placed with the family by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.

A *foster child* is a member of the household who meets the definition of a *foster child* under state law. In general, a foster child is placed with the family by an authorized placement agency (e.g., public child welfare agency) or by judgment, decree, or other order of any court of competent

jurisdiction.

Foster children and foster adults who are living with an applicant or who have been approved by the BHA to live with a participant family are considered household members but not family members. The income of foster children/adults is not counted in family annual income, and foster children/adults do not qualify for a dependent deduction [24 CFR 5.603; HUD-50058 IB, p. 13].

BHA Policy

A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of occupancy standards.

2.12 Absent Family Members:

Individuals may be absent from the family, either temporarily or permanently for a variety of reasons including educational activities, placement in foster care, employment, illness, incarceration, and court order.

Definitions of Temporarily and Permanently Absent:

BHA Policy

Generally, an individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally, an individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students:

BHA Policy

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the BHA indicating that the student has established a separate household or the family declares that the student has established a separate household.

Absences Due to Placement in Foster Care [24 CFR 5.403]:

Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

BHA Policy

If a child has been placed in foster care, the BHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

Absent Head, Spouse, or Cohead:

BHA Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

Family Members Permanently Confined for Medical Reasons:

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted.

BHA Policy

An individual confined to a nursing home or hospital on a permanent basis is not considered a family member.

The BHA will request verification of the family member's permanent absence from a responsible medical professional. If the responsible medical professional cannot provide a determination, the person will be considered temporarily absent. If the family certifies that the family member is confined on a permanent basis, they may present, and the BHA will consider, any additional documentation or evidence.

Return of Permanently Absent Family Members:

BHA Policy

The family must request BHA approval for the return of any adult family members that the BHA previously determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed elsewhere in this section.

2.13 Split Families – While On the Waiting List:

In the case where an applicant family on the waiting list splits into two (2), or more, otherwise eligible families and the new families claim the public housing application, the Authority will take the following factors into consideration when making a determination as to which family should be entitled to the application:

- a) Which family unit retains the children. If there are no children, disabled or elderly status will be considered;
- b) Any court or legal determination, including the role of domestic violence in the split; and
- c) Recommendations of social service agencies or qualified professionals, such as protective services for children.

In the case where the households are equally qualified, the application will be retained by the individual who originally submitted the public housing application, e.g., listed as the head of household.

In the case of a deceased head of household, applicable factors noted above will be taken into consideration when making a determination as to which family member should be entitled to the application. Only another adult on the existing application may take over as head of household. If there are no other adults on the application, the Authority, may on a case by case basis, allow another adult to become the head of household if there are minor children and if the other adult can prove legal custody of the minor children.

2.14 Live-In-Aides:

The Authority permits tenants to have a Live-In-Aide reside in the apartment. The circumstances under which such permission will be granted to a tenant are outlined in the Authority's Live-In-Aide policy which is incorporated herein by reference. See Exhibit J

The Authority defines a Live-In-Aide as a person, eighteen (18) years of age or older, who resides with an elderly, disabled or handicapped tenant and who: (1) is determined to be essential to the care and well-being of the tenant; (2) is not obligated for the support of the tenant; and, (3) would not be living in the apartment except to provide the necessary supportive services. However, under no circumstances shall a Live-In-Aide be considered a tenant of the Authority. For the purposes of this Policy, a Live-In-Aide will be considered a guest of the tenant. A "guest" is a person staying temporarily in the apartment with the consent of the tenant.

Although the Live-In-Aide is not a tenant of the Authority, the tenant is responsible to ensure that the Live-In-Aide adheres to the provisions of the tenant's lease with the Authority. The Authority may terminate the tenant's tenancy if the Live-In-Aide violates any terms of the tenant's lease. Any such termination shall be in accordance with state and/or federal procedures governing the same.

A tenant requiring the assistance of a Live-In-Aide must first obtain the Authority's written permission, by way of application, to have such a Live-In-Aide reside in the tenant's apartment. Copies of the application are available at the Authority's Administrative office.

Once submitted by the tenant, the Authority will review the application and make a determination as to the eligibility of the Live-In-Aide. As part of the review process, the Live-In-Aide must complete and submit documents that will enable the Authority to obtain criminal history, and various other factors listed in the Live-In-Aide Policy. The tenant may not allow the Live-In-Aide to move into the apartment without the Authority's prior written approval. If you are approved for a Live-In-Aide, the need for a Live-In-Aide is subject to verification on an annual basis and the Live-In-Aide is subject to background screening during the recertification process to ensure continued eligibility. When the tenant vacates the apartment for any reason, the Live-In-Aide must also vacate the apartment.

2.15 Income Limits [24 CFR 982.201 and Notice PIH 2023-27]:

Persons meeting the Authority income qualifications are those whose Annual Income at the time of admission, does not exceed the "Lower Income" limits for Bayonne. The lower income limit is set at 80% of the area median income, adjusted for smaller and larger families and is established and updated annually by the U.S. Department of Housing and Urban Development (HUD). To be eligible a family must be a low income family. See Exhibit A

- *Low-income family*: A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.
- *Very low-income family*: A family whose annual income does not exceed 50 percent of the median income for the area, adjusted for family size.
- *Extremely low-income family*: A family whose annual income does not exceed 30 percent of the median income for the area or the federal poverty level, adjusted for family size.

BHA Policy

The BHA has not established any additional categories of eligible low-income families.

2.16 Citizenship or Eligible Immigration Status [24 CFR 5, Subpart E]:

Housing assistance is available only to individuals who are U.S. citizens, U.S. nationals (herein referred to as citizens and nationals), or noncitizens that have eligible immigration status. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.

All applicant families must be notified of the requirement to submit evidence of their citizenship status when they apply. Where feasible, and in accordance with the BHA's Limited English Proficiency Plan, the notice must be in a language that is understood by the individual if the individual is not proficient in English.

Declaration 214 Status [24 CFR 5.508]:

HUD requires each family member to declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible noncitizens. For citizens, nationals and eligible noncitizens the declaration must be signed personally by the head, spouse, cohead, and any other family member 18 or older, and by a parent or guardian for minors. The family must identify in writing any family members who elect not to contend their immigration status (see Ineligible Noncitizens below). No declaration is required for live-in aides, foster children, or foster adults.

U.S. Citizens and Nationals:

In general, citizens and nationals are required to submit only a signed declaration as verification of their status. However, HUD regulations permit the BHA to request additional documentation of their status, such as a passport.

BHA Policy

Family members who declare citizenship or national status will not be required to provide additional documentation unless the BHA receives information indicating that an individual's declaration may not be accurate.

Eligible Noncitizens:

In addition to providing a signed declaration, those declaring eligible noncitizen status must sign a verification consent form and cooperate with BHA efforts to verify their immigration status as described in Section 11. The documentation required for establishing eligible noncitizen status varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, the person's age, and the date on which the family began receiving HUD-funded assistance.

Lawful residents of the Marshall Islands, the Federated States of Micronesia, and Palau, together known as the Freely Associated States, or FAS, are eligible for housing assistance under section 141 of the Compacts of Free Association between the U.S. Government and the Governments of the FAS [Public Law 106-504].

Ineligible Noncitizens:

Those noncitizens who do not wish to contend their immigration status are required to have their names listed on a noncondensing family members listing, signed by the head, spouse, or cohead (regardless of citizenship status), indicating their ineligible immigration status. The BHA is not required to verify a family member's ineligible status and is not required to report an individual's unlawful presence in the U.S. to the United States Citizenship and Immigration Services (USCIS).

Providing housing assistance to noncitizen students is prohibited [24 CFR 5.522]. This prohibition extends to the noncitizen spouse of a noncitizen student as well as to minor children who accompany or follow to join the noncitizen student. Such prohibition does not extend to the citizen spouse of a noncitizen student or to the children of the citizen spouse and noncitizen student. Such a family is eligible for prorated assistance as a mixed family.

Mixed Families:

A family is eligible for assistance as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered *mixed families*. Such families will be given notice that their assistance will be prorated, and that they may request a hearing if they contest this determination. See Section 9 for a discussion of how rents are prorated, and Section 19 for a discussion of informal hearing procedures.

Ineligible Families [24 CFR 5.514(d), (e), and (f)]:

The BHA may elect to provide assistance to a family before the verification of the eligibility of the individual or one family member [24 CFR 5.512(b)]. Otherwise, no individual or family may be assisted prior to the affirmative establishment by the BHA that the individual or at least one family member is eligible. Verification of eligibility for this purpose occurs when the individual or family members have submitted documentation to the BHA in accordance with program requirements [24 CFR 5.512(a)].

BHA Policy

The BHA will not provide assistance to a family before the verification of at least one family member.

When the BHA determines that an applicant family does not include any citizens, nationals, or eligible noncitizens, following the verification process, the family will be sent a written notice within 10 business days of the determination.

The notice will explain the reasons for the denial of assistance, that the family may be eligible for proration of assistance, and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal review with the BHA. The informal review with the BHA may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice must also inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the informal review process.

Informal hearing procedures are contained in Section 19.

Appeals: For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

Timeframe for Determination of Citizenship Status [24 CFR 5.508(g)]:

For new occupants joining the assisted family, the BHA must verify status at the first interim or regular reexamination following the person's occupancy, whichever comes first.

If an individual qualifies for a time extension for the submission of required documents, the BHA must grant such an extension for no more than 30 days [24 CFR 5.508(h)].

Each family member is required to submit evidence of eligible status only one time during continuous occupancy.

BHA Policy

The BHA will verify the citizenship status of applicants at the time other eligibility factors are determined.

2.17 Social Security Numbers [24 CFR 5.216 and 5.218, Notice PIH 2018-24]:

The applicant and all members of the applicant's household must disclose the complete and accurate social security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN. If a child under age 6 has been added to an applicant family within 6 months prior to voucher issuance, an otherwise eligible family may be admitted to the program and must disclose and document the child's SSN within 90 days of the effective date of the admission. A detailed discussion of acceptable documentation is provided in Section 11.

Note: These requirements do not apply to noncitizens who do not contend eligible immigration

status.

In addition, each participant who has not previously disclosed an SSN, has previously disclosed an SSN that HUD or the SSA determined was invalid, or has been issued a new SSN must submit their complete and accurate SSN and the documentation required to verify the SSN at the time of the next interim or annual reexamination or recertification. Participants age 62 or older as of January 31, 2010, whose determination of eligibility was begun before January 31, 2010, are exempt from this requirement and remain exempt even if they move to a new assisted unit.

The BHA must deny assistance to an applicant family if they do not meet the SSN disclosure and documentation requirements contained in 24 CFR 5.216.

2.18 Photo Identification:

To ensure that the Authority has the ability to identify all tenants who are 18 years old or older, all families with persons 18 years or older will be required to provide valid state, local or government issued photo identification at admission and upon addition to a household. If the signature on the ID does not match the signature on the original application, the Authority will require additional verification and may deny the applicant.

2.19 Family Consent to Release of Information [24 CFR 5.232; HCV GB, p. 5-13]:

HUD requires that each adult family member, and the head of household, spouse, or cohead, regardless of age, ~~to~~ sign form HUD-9886, Authorization for the Release of Information/Privacy Act Notice, the form HUD-52675 Debts Owed to Public Housing Agencies and Terminations, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. Section 2 provides detailed information concerning the consent forms and verification requirements. The consent form remains effective until the family is denied assistance, assistance is terminated, or the family provides written notification to revoke consent.

The BHA must deny admission to the program if any member of the applicant family fails to sign and submit the consent forms for obtaining information in accordance with 24 CFR 5, Subparts B and F [24 CFR 982.552(b)(3) and 24 CFR 5.232(a)].

However, this does not apply if the applicant or participant, or any member of their family, revokes their consent with respect to the ability of the BHA to access financial records from financial institutions, unless the BHA establishes a policy that revocation of consent to access financial records will result in denial or termination of assistance or admission [24 CFR 5.232(c)].

BHA Policy

The BHA has established a policy that the family's revocation of consent to allow the BHA to access records from financial institutions will result in denial of admission

2.20 Students Enrolled in Institutions of Higher Education [24 CFR 5.612, FR Notice 4/10/06, FR Notice 9/21/16]:

Section 327 of Public Law 109-115 and the implementing regulation at 24 CFR 5.612 established new restrictions on the eligibility of certain students (both part- and full-time) who are enrolled in

institutions of higher education.

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the student's eligibility must be examined along with the income eligibility of the student's parents. In these cases, both the student and the student's parents must be income eligible for the student to receive HCV assistance. If, however, a student in these circumstances is determined independent from their parents in accordance with BHA policy, the income of the student's parents will not be considered in determining the student's eligibility.

The new law does not apply to students who reside with parents who are applying to receive HCV assistance. It is limited to students who are seeking assistance on their own, separately from their parents.

Definitions:

In determining whether and how the new eligibility restrictions apply to a student, the BHA will rely on the following definitions [FR Notice 4/10/06, FR Notice 9/21/16].

Dependent Child:

In the context of the student eligibility restrictions, *dependent child* means a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent* in 24 CFR 5.603, which states that the dependent must be a member of the assisted family, other than the head of household or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. Foster children and foster adults are not considered dependents.

Independent Student:

BHA Policy

The BHA will consider a student "independent" from their parents and the parents' income will not be considered when determining the student's eligibility if the following four criteria are all met:

- The individual is of legal contract age under state law.
- The individual has established a household separate from their parents for at least one year prior to application for occupancy or the individual meets the U.S. Department of Education's definition of independent student.
- To be considered an *independent student* according to the Department of Education, a student must meet one or more of the following criteria:
 - The individual is at least 24 years old by December 31 of the award year for which aid is sought
 - The individual is an orphan, in foster care, or a ward of the court, or was an orphan, in foster care, or ward of the court at any time when the individual was 13 years of age or older

- The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's state of legal residence
 - The individual is a veteran of the U.S. Armed Forces or is currently serving on active duty in the Armed Forces for other than training purposes
 - The individual is a graduate or professional student
 - The individual is married
 - The individual has one or more legal dependents other than a spouse (for example, dependent children or an elderly dependent parent)
 - The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth, or as unaccompanied, at risk of homelessness, and self-supporting by:
 - A local educational agency homeless liaison
 - The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act or a designee of the director.
 - A financial aid administrator
 - The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances
- The individual was not claimed as a dependent by their parents pursuant to IRS regulations, as demonstrated on the parents' most recent tax forms.
 - The individual provides a certification of the amount of financial assistance that will be provided by their parents. This certification must be signed by the individual providing the support and must be submitted even if no assistance is being provided.
 - If the BHA determines that an individual meets the definition of a *vulnerable youth* such a determination is all that is necessary to determine that the person is an *independent student* for the purposes of using only the student's income for determining eligibility for assistance.

The BHA will verify that a student meets the above criteria in accordance with the policies in Section 9.

Institution of Higher Education:

The BHA will use the statutory definition under section 102 of the Higher Education Act of 1965 to determine whether a student is attending an *institution of higher education* (see Exhibit 2-2).

Parents:

BHA Policy

For purposes of student eligibility restrictions, the definition of *parents* includes biological or adoptive parents, stepparents (as long as they are currently married to the biological or adoptive parent), and guardians (e.g., grandparents, aunt/uncle, godparents, etc).

Person with Disabilities:

The BHA will use the statutory definition under section 3(b)(3)(E) of the 1937 Act to determine whether a student is a *person with disabilities* (see Exhibit 2-1).

Veteran:

BHA Policy

A *veteran* is a person who served in the active military, naval, or air service and who was discharged or released from such service under conditions other than dishonorable.

Vulnerable Youth

BHA Policy

A *vulnerable youth* is an individual who meets the U.S. Department of Education's definition of *independent student* in paragraphs (b), (c), or (h), as adopted in Section II of FR Notice 9/21/16:

- The individual is an orphan, in foster care, or a ward of the court, or was an orphan, in foster care, or ward of the court at any time when the individual was 13 years of age or older
- The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's state of legal residence
- The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth, or as unaccompanied, at risk of homelessness, and self-supporting by:
 - A local educational agency homeless liaison
 - The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act or a designee of the director
 - A financial aid administrator

Determining Student Eligibility:

If a student is applying for assistance on their own, apart from their parents, the BHA must determine whether the student is subject to the eligibility restrictions contained in 24 CFR 5.612. If the student is subject to those restrictions, the BHA must ensure that: (1) the student is individually eligible for the program, (2) either the student is independent from their parents or the student's parents are income eligible for the program, and (3) the "family" with which the student is applying is collectively eligible for the program.

BHA Policy

For any student who is subject to the 5.612 restrictions, the BHA will:

- Follow its usual policies in determining whether the student individually and the student’s “family” collectively are eligible for the program
- Determine whether the student is independent from their parents in accordance with the definition of *independent student* in this section
- Follow the policies below, if applicable, in determining whether the student’s parents are income eligible for the program

If the BHA determines that the student, the student’s parents (if applicable), or the student’s “family” is not eligible, the BHA will send a notice of denial in accordance with the policies in Section 2, and the applicant family will have the right to request an informal review in accordance with the policies in Section 19.

Determining Parental Income Eligibility

BHA Policy

For any student who is subject to the 5.612 restrictions and who does not satisfy the definition of *independent student* in this section, the BHA will determine the income eligibility of the student’s parents as follows:

If the student’s parents are married and living together, the BHA will obtain a joint income declaration and certification of joint income from the parents.

If the student’s parent is widowed or single, the BHA will obtain an income declaration and certification of income from that parent.

If the student’s parents are divorced or separated, the BHA will obtain an income declaration and certification of income from each parent.

If the student has been living with one of their parents and has not had contact with or does not know where to contact their other parent, the BHA will require the student to submit a certification under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. The BHA will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.

In determining the income eligibility of the student’s parents, the BHA will use the income limits for the jurisdiction in which the parents live.

2.21 Enterprise Income Verification (EIV) Screening

The Authority will conduct EIV screening for new applicants. An EIV “Existing Tenant Search” will be conducted on minor and adult members of an applicant household. The Authority will meet with the applicant if the report identifies that the applicant or a member of the applicant’s household is residing at another federally subsidized housing location. The Authority will follow up with the respective Public Housing Agency (PHA) or owner to confirm the individual’s

program participation status before admission based upon discussions with the applicant. The Authority will retain the search results with the application along with any documentation obtained as a result of contacts with the applicant and the PHA and/or owner at the other location.

An EIV “Former Tenant Search” will be conducted on adult members of an applicant household and on adult members prior to adding them to an existing household. The Authority will follow established procedures when reviewing and acting on results of the EIV “Former Tenant Search.”

2.22 Debts Owed to PHAs and Terminations

All adult household members must sign the form HUD-52675 Debts Owed to Public Housing and Terminations. Prior to admission to the program, the BHA must search for each adult family member in the Debts Owed to PHAs and Terminations module.

If a current or former tenant disputes the information in the module, the tenant should contact the BHA directly in writing to dispute the information and provide any documentation that supports the dispute. If the BHA determines that the disputed information is incorrect, the BHA will update or delete the record from EIV. Former tenants may dispute debt and termination information for a period of up to three years from the end of participation date in the program.

BHA Policy

The BHA will require each adult household member to sign the form HUD-52675 once at the eligibility determination. Any new members added to the household after admission will be required to sign the form HUD-52675 prior to being added to the household.

The BHA will search the Debts Owed to PHAs and Terminations module as part of the eligibility determination for new households and as part of the screening process for any household members added after the household is admitted to the program. If any information on debts or terminations is returned by the search, the BHA will determine if this information warrants a denial in accordance with the PHA policies.

2.23 Income and Income Validation Tool (IVT) Reports:

For each new admission, the BHA is required to review the EIV Income and IVT Reports to confirm and validate family reported income within 120 days of the IMS/PIC submission date of the new admission. The BHA must print and maintain copies of the EIV Income and IVT reports in the tenant file and resolve any discrepancies with the family within 60 days of the EIV Income or IVT report dates.

2.24 Prohibition Against Denial of Assistance to Victims of Domestic Violence, Dating Violence, Sexual Assault, Stalking and Human Trafficking:

The Violence against Women Act (VAWA) and the HUD regulation at 24 CFR 5.2005(b) prohibit PHAs from denying an applicant admission to the PH program on the basis or as a direct result of the fact that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant otherwise qualifies for assistance or admission.

- Although the VAWA 2022 statute does not specifically include human trafficking in the list of victims protected under VAWA, in 2022 HUD began including human trafficking as part

of the list of victims protected under VAWA (as seen in Notices PIH 2022-06, PIH 2022-22, and PIH 2022-24). In the absence of a final rule implementing VAWA 2022 and to mirror HUD's recent usage, this policy includes human trafficking in addition to domestic violence, dating violence, sexual assault, and stalking anywhere such a list appears.

Definitions of key terms used in VAWA are provided in section 16 of this plan, where general VAWA requirements and policies pertaining to notification, documentation, and confidentiality are also located.

Notification:

VAWA requires PHAs to provide applicants who are denied assistance with a VAWA Notice of Occupancy Rights (form HUD-5380) and a domestic violence certification form (HUD-5382) at the time the applicant is denied.

BHA Policy

The BHA acknowledges that a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking may have an unfavorable history (e.g., a poor credit history, poor rental history, a record of previous damage to an apartment, a prior arrest record) due to adverse factors that would warrant denial under the BHA's policies.

While the BHA is not required to identify whether adverse factors that resulted in the applicant's denial are a result of domestic violence, dating violence, sexual assault, or human trafficking, the applicant may inform the BHA that their status as a victim is directly related to the grounds for the denial. The BHA will request that the applicant provide enough information to the BHA to allow the BHA to make an objectively reasonable determination, based on all circumstances, whether the adverse factor is a direct result of their status as a victim.

However, the Authority may bifurcate a lease or remove a member from the lease, without regard to whether they are a signatory to the lease, in order to evict, remove, terminate occupancy rights, or assistance to any individual who is a tenant or lawful occupant and engages in acts of physical violence against family members.

The tenant victim is also eligible for an emergency transfer if there is the threat of imminent harm from further violence if they remain in the same dwelling unit. See the full VAWA policy and procedures for additional information, as attached.

The BHA will include in its notice of denial the VAWA information described in section 2 of this plan as well as including a copy of the form HUD-5382. The BHA will request in writing that an applicant wishing to claim protection under VAWA notify the BHA within 14 business days.

Documentation:

Victim Documentation [24 CFR 5.2007]:

BHA Policy

If an applicant claims the protection against denial of assistance that VAWA provides to victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the BHA will request in writing that the applicant provide documentation supporting the claim in accordance with this section

Perpetrator Documentation:

BHA Policy

If the perpetrator of the abuse is a member of the applicant family, the applicant must provide additional documentation consisting of one of the following:

A signed statement (1) requesting that the perpetrator be removed from the application and (2) certifying that the perpetrator will not be permitted to visit or to stay as a guest in the assisted unit

Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to their belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

3.0 APPLICANT SCREENING CRITERIA

3.1 General Requirements:

The Authority is responsible for the screening and selection of families to occupy the public housing units. The Authority may consider all relevant information. Screening is important to the public housing communities and program integrity, and to ensure that assisted housing is provided to those families that will adhere to lease obligations. Applicants to be admitted into the Authority's low-income housing must satisfy all of the requirements outlined.

The Authority will examine current and past applicant behavior to determine eligibility and suitability. Such history includes but are not limited to:

- a) Pay rent and other charges as required by the lease;
- b) Have a credit history demonstrating financial responsibility including past performance in meeting financial obligations, history from landlords, utility companies, credit reporting agencies and court records;

- c) Care for and avoid damaging the unit and common areas;
- d) Debt screening including the use of EIV reports to determine if the applicant has a debt owed to the Authority; a prior debt to another PHA; was unfavorably terminated from another federally subsidized housing program; or is currently receiving assistance in another federally subsidized housing program;
- e) Criminal background screening in accordance with the Fair Chance in Housing Act (FCHA) that permits consideration of whether an applicant has a conviction for the manufacture or production of methamphetamine on the premises of federally-assisted housing or whether an applicant has a lifetime registration requirement under any State sex offender registration program before making a conditional offer of housing.
- f) Use facilities, equipment, and utilities for reasonable purposes and abide by any local ordinance, or Authority rules;
- g) Respect the rights of other tenants to the peaceful enjoyment of their housing; demonstrate that household members can be expected not to interfere with other tenants in such a manner as to diminish their peaceful enjoyment of the premises by adversely affecting their health, safety, or welfare; adversely affect the physical environment or financial stability of the project; or violate the terms and conditions of the Public Housing Residential Lease Agreement.
- h) Comply with any other essential conditions of the lease.

The Authority has adopted these screening procedures to ensure that every newly admitted tenant can be expected to comply with the basic rules of tenancy. Under the FCHA, the Authority cannot ever consider the following types of criminal records:

- Arrests or charges that did not result in a criminal conviction
- Expunged convictions
- Convictions erased through executive pardon
- Vacated and otherwise legally nullified convictions
- Juvenile adjudications of delinquency
- Sealed records

After making a conditional offer of housing, the Authority is permitted to consider the following criminal records:

- Any conviction for murder, aggravated sexual assault, kidnapping, arson, human trafficking, sexual assault, or endangering the welfare of a child in violation of N.J.S.2C:24-4(b)(3);
- Any conviction that requires a lifetime state sex offender registration;
- Any conviction for a 1st degree indictable offense, or release from prison, for that offense within the past 6 years;
- Any conviction for a 2nd or 3rd degree indictable offense, or release from prison for that offense, within the past 4 years;
- Any conviction for a 4th degree indictable offense, or release from prison for that offense, within the past 1 year.

3.2 Consideration of Circumstances:

The Authority will consider all relevant circumstances when deciding whether to withdraw the conditional offer of housing based on a family's past history except in the situations for which denial of admission is mandated.

Upon review of the above permissible convictions, the Authority must conduct an **Individualized Assessment** of the:

- a) Nature and severity of the offense(s);
- b) Applicant's age at the time of the offense(se);
- c) How recently the offense(s) occurred;
- d) Any information the applicant provided in their favor since the offense(s);
- e) If the offense(s) happened again in the future, whether that would impact the safety of other tenants or property; and
- f) Whether the offense(s) happened on, or was connected to property that the applicant had rented or leased.

If the Authority decides to take action against the tenant after the Individualized Assessment, the Authority will follow the FCHA, and other applicable laws, when considering whether to withdraw the conditional offer of housing for criminal activity, as shown by a criminal record. Factors considered include performing an Individualized Assessment, providing an opportunity for the tenant to dispute the accuracy and relevance of information and to provide evidence of rehabilitation.

The Authority will deny occupancy to any family for misrepresentations or false statements about the applicant's tenant history.

The Authority will utilize criminal background and Sex Offender Registration checks through the National Sex Offender Website ([http:// www.nsopw.gov](http://www.nsopw.gov)), National Crime Information Center, NJ State Police, the Bayonne Police Dept., the Hudson County Prosecutors Office and/or the State Sex Offender Registration Program, as available, after a family is determined presumptively eligible i.e., financial, rent credit history, citizenship and landlord verification are completed. A criminal background check and a State Sex Offender Registration verification will be requested on each member of the applicant's household to the extent allowed by state and local law.

To protect the privacy of such applicants and their household members, the Authority shall adhere to the following guidelines in requesting, using, retaining, disseminating and destroying such records:

- a) All requests for criminal records will require that such records be forwarded to a specific custodian designated by the Executive Director or designee.
- b) Upon receipt, all such criminal records shall be kept logged as received. The custodian will control dissemination of the records and will ensure all copies are maintained appropriately.
- c) Any records disseminated shall be used solely for the purpose of evaluating the eligibility/suitability of an applicant. Upon completion of authorized use, all such records shall be returned to the person designated by the Executive Director or designee as the

Custodian of said records. Upon a decision being rendered as to an applicant's suitability/eligibility, and the completion of any hearing or appeal resulting from such decision, all such criminal conviction records shall be destroyed by the designated Custodian of said records. Destruction of criminal conviction records will be accomplished by shredding the documents. Disciplinary action shall be taken against any Authority staff found to be in violation of these aforementioned guidelines.

- d) In the event the Authority rejects an applicant's position that a record of criminal conviction is either inaccurate or irrelevant, based on evidence of rehabilitation, or some other basis, the applicant may request a written explanation of the basis for the Authority's decision which will be provided within a reasonable time period. An applicant may appeal the Authority's decision by requesting an informal review.
- e) If adverse information is obtained on any member, the Authority will review the conviction record with the head of household and the member who is the subject of its negative response.
- f) If an appeal is made and held, immediately after the hearing is concluded or the period for requesting an appeal and hearing has expired without a request from the applicant, all documentation of the conviction record will be destroyed.

If the results of the criminal background check indicate there may have been past criminal activity, but the results are inconclusive, the Authority will request a disposition of charges from the applicant.

3.3 Criteria for Withdrawal of Conditional Offer of Housing:

Public housing residency is a privilege and not a right. In order to preserve the Authority's interests and the integrity of the program, the Authority may withdraw the conditional offer of housing to an applicant for the following reasons:

- a) The Authority shall deny admission to a family that contains a member of the household who has been convicted of manufacturing or providing methamphetamine;
- b) The Authority shall deny admission to a family that contains a member of the household who is subject to the lifetime registration for sex offenders;
- c) Has committed acts that would constitute fraud in connection with any federal housing program;
- d) Has been previously evicted from or vacated a public housing unit, assisted housing unit, or from any Section 8 Rental Assistance Program in violation of the terms of their lease for a period of three (3) years from the date of eviction;
- e) Has demonstrated unsatisfactorily, by past performance, the ability to meet financial obligations including paying of rent, utility bills, etc., owe rent or other amounts to a Housing Authority or any other federally subsidized housing program;
- f) If the Authority determines that a person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment

of the premises by other tenants. The Authority may waive this reason for denial if the person demonstrates to the Authority's satisfaction that the person is no longer engaging in the activity or abuse of alcohol or has successfully completed a supervised substance abuse or alcohol rehabilitation program;

- g) Has demonstrated through unacceptable references and past behavior that family members lack the ability to conduct themselves in a manner that will not impair the environment and/or security of other tenants residing in the development. Has a record of serious disturbance of neighbors, destruction of property or other disruptive or dangerous behavior, including neglect of children which endangers their health, safety or welfare, and are unlikely to obey all rules and regulations as embodied into the tenant's lease as well as those embodied herein;
- h) Has demonstrated by past behavior that family members will not maintain both the apartment they are seeking to lease, as well as the common areas of the development in which the apartment is located in a safe, healthy and sanitary condition. Includes the creation of a fire hazard through acts such as the hoarding of rags and papers; damage to premises and equipment, if it is established that the family is responsible for the condition; seriously affecting neighbors by causing infestation, foul odors, depositing garbage in the halls; or serious neglect of the premises;
- i) Did not provide information required within the specified timeframe or misrepresented information, whether intentionally or unintentionally;

This list is not to be construed as totally inclusive, and there may be circumstances not listed which may be used for withdrawing the conditional offer of housing if the Authority determines that to admit the household or member thereof would have a detrimental effect on the health, safety or right to peaceful enjoyment of the premises by other tenants.

3.4 Informal Review/Appeal Process:

The Authority will only reject applicants for ineligibility or failure to meet the applicant eligibility criteria. In accordance with the FCHA and federal regulations, applicants for whom the conditional offer of housing has been withdrawn will be given a written **Notice of Withdrawal** form indicating the specific reasons for the withdrawal, and notifying the applicant of the right to request an informal review/appeal of the denial of their application.

The applicant can then request a copy of all the information upon which the Authority relied in making the decision to withdraw the conditional offer of housing. The applicant must make the request within thirty (30) days of receiving the Notice of Withdrawal. The Authority must provide the information free of charge within ten (10) days after receiving a timely request.

The applicant may then use that information to request an informal review/appeal, claiming that the Authority violated the FCHA and provide additional information in support of the violation. The Authority must consider and provide a determination based on the new information within thirty (30) days.

If the applicant is not satisfied with the results of the informal review, pursuant to [24 C.F.R. §960.208], they have the right to appeal said decision to the Authority's Board of Commissioners (the "Board") by submitting a written request for the same, within ten (10) days from the date of

the mailing of the informal review/appeal summary, to the Authority's Executive Director, P.O. Box 277, 549 Avenue A, Bayonne, New Jersey 07002. The written request must specify both:

1. The reasons for the appeal; and
2. The action or relief sought.

Upon compliance with the above, the Board will review the applicable information relating to the unfavorable determination, and will notify the applicant, by both regular and certified mail, of the date and time that the appeal hearing will take place and the proceedings governing the hearing. Failure to request a hearing, as set forth herein, shall result in the Authority's decision rendered at the informal review/appeal becoming final, and the Authority shall not, thereafter, be obligated to offer another formal appeal hearing. However, failure to request a formal hearing shall not constitute a waiver by the applicant of the appropriate judicial proceeding.

4.0 APPLICANT PROCESSING

4.1 Application Review:

Prior to being admitted into the public housing program, the Authority must obtain a written application signed by all household members age 18 or older. The application shall set forth all data and information necessary to enable the Authority to determine whether or not the family meets the conditions for admission to the public housing program. Admissions applications are available at the Authority's administrative office. Upon receipt, all applications will be date and time stamped, then forwarded to the appropriate Authority staff. Prior to determination of eligibility or ineligibility, all applications shall be entered into a master application listing in chronological order.

The Authority will review all applications for completeness and checks against the Authority's computer records for duplicate applications and for former Authority tenants who are indebted (moved out owing rent) to the Authority. The applicant must satisfy in full any overdue accounts or indebtedness resulting from previous tenancies in any housing program administered by this Authority or to any other Public Housing Authority as reported via EIV or other database.

However, the above criteria will not be employed to deny admission to potential tenants on the basis of race, creed, color, national origin, marital status, and other factors enumerated in Title VI of the Civil Rights Act of 1968.

Each applicant determined to be prospectively eligible will be notified in writing by the Authority within about sixty (60) days of receipt of the application, of the determination and the approximate waiting time prior to a prospective offer of occupancy. Any applicant determined to be ineligible will also be notified within the same timeframe and given the reasons for ineligibility. The applicant is advised of their right, upon request within a reasonable time, to an informal review on the determination so that they may provide additional information for the Authority's consideration. (See Appeal Process above)

A preliminary review of the application determines the applicant's prospective elderly/family status, preference category, the required bedroom size and other eligibility criteria. Applicants claiming to be or have been a victim of domestic violence, dating violence or stalking must provide complete documentation acceptable to the Authority and in accordance with HUD regulations. (see the VAWA Policy incorporated herein by reference) See Exhibit K

An Authority employee will assist applicants with disabilities who require a reasonable accommodation in completing an application. A reasonable accommodation might be in the form of reading and explaining material normally handed to an applicant to be read or filled out. Or, applicants may furnish an interpreter who can explain the application process.

4.2 Additional Requirements:

Applicants to be admitted into the Authority's low-income housing must satisfy all of the following additional requirements to demonstrate the ability to comply with essential provisions of the lease and policies of the Authority:

- a) Qualify as a family as defined in Section 19. The Head of Household must be at least 18 years of age or be an emancipated minor and legally competent;
- b) Have a total household income, at the time of admission, which does not exceed the maximum income limits for admission as established by HUD for the family size;
- c) Agree to complete an orientation program prior to occupancy which will be arranged pending the Authority's financial capability to do so, and its ability to provide the necessary staff for such program.
- d) Must submit SSN documentation for all family members at the time of eligibility processing for a unit or the Authority must offer the available unit to the next eligible applicant family on the waiting list. The Authority may allow the applicant family to remain on the waiting list for an additional 90-day period of time pending the disclosure of the requested documentation. After that time frame, the applicant will be removed from the waiting list.

4.3 Admission Preferences [24 CFR § 960.206]

In selecting applicants for assistance in public housing, Bayonne residents will be given first preference at all times. A Bayonne resident is defined as a person residing within the City of Bayonne limits. *Note: the residency preference does not guarantee admission. Every applicant must still meet all eligibility requirements.*

The following criteria shall be reasonably related to achieving the basic objective of housing low-income families with a broad range of income in this Authority's area of operations, as defined in state law, and with rent-paying ability sufficient to achieve financial stability of the development or developments. Applications for public housing will be prioritized in order of date and timestamp utilizing the following local preferences:

- a. Bayonne Resident who can claim at least one of the following circumstances:
 - Involuntarily displaced;
 - Currently living in substandard housing (including homeless families);
 - Currently paying more than fifty- percent (50%) of their income for rent ("Rent Burden");
 - A veteran with a discharge status other than dishonorable.

- b. Bayonne Resident with none of the above.
- c. Non-Bayonne Resident who can claim at least one of the following circumstances:
 - Involuntarily displaced;
 - Currently living in substandard housing (including homeless families);
 - Currently paying more than fifty- percent (50%) of their income for rent ("Rent Burden");
 - A veteran with a discharge status other than dishonorable.
- d. Non-Bayonne Resident with none of the above.

While it is the responsibility of the applicant to update their application and select a preference category, the Authority noticed a number of applicants did not select a preference. Therefore, the Authority may conduct a systematic review of applications to determine their preference status while continuing to process applications with a selected preference.

Descriptions of these Preferences and their "definitional elements" (or sub-categories) follow.

Involuntary Displacement: Applicants who have been involuntarily displaced and are not living in standard, permanent replacement housing, or will be involuntarily displaced within no more than six months from the date of verification by the Authority. Families are considered to be involuntarily displaced if they are required to vacate housing as a result of:

1. A disaster (fire, flood, earthquake, etc.) that has caused the unit to be uninhabitable;
2. Federal, state or local government action related to code enforcement, public improvement or development; or
3. Action by a housing owner which is beyond an applicant's ability to control, and which occurs despite the applicant's having met all previous conditions of occupancy, and is other than a rent increase.

For purposes of this definitional element, reasons for applicant's having to vacate a housing unit include, but are not limited to:

- Conversion of an applicant's housing unit to non-rental or non-residential use;
 - Closure of an applicant's housing unit for rehabilitation or non-residential use;
 - Notice to an applicant that she/he must vacate a unit because the owner wants the unit for the owner's personal or family use or occupancy;
 - Sale of a housing unit in which an applicant resides under an agreement that the unit must be vacant when possession is transferred; or
 - Any other legally authorized act that results, or will result, in the withdrawal by the owner of the unit or structure from the rental market.
4. Actual or threatened physical violence directed against the applicant or the applicant's family by a spouse or other household member who lives in the unit with the family. The actual or threatened violence must be of a continuing nature. An applicant who lives in a violent neighborhood or is fearful of other violence outside the household is not considered involuntarily displaced.

To qualify for this preference, the abuser must still reside in the unit from which the victim was displaced. The applicant must certify that the abuser will not reside with the applicant unless the Authority gives prior written approval.

The Authority will consider approval for the return of the abuser to the household under the following conditions:

- The abused has formally requested the return of the abuser;
- The Authority verifies that the abuser has received therapy or counseling that appears to minimize the likelihood of recurrence of violent behavior; or
- A counselor, therapist or other appropriate professional recommends in writing that the individual be allowed to reside with the family.

The Authority will take precautions to ensure that the new location of the family is concealed in cases of domestic abuse. If the abuser returns to the family without approval of the Authority, the Authority will deny or terminate assistance for breach of the certification.

5. To avoid reprisals because the family provided information on criminal activities to a law enforcement agency and, after a threat assessment, the law enforcement agency recommends re-housing the family to avoid or reduce risk of violence against the family. The family must be part of a Witness Protection Program, or the HUD Office or law enforcement agency must have informed the Authority that the family is part of a similar program. The Authority will take precautions to ensure that the new location of the family is concealed in cases of witness protection.
6. If a member of the family has been the victim of one or more hate crimes, and the applicant has vacated the unit because of the crime or the fear of such a crime has destroyed the applicant's peaceful enjoyment of the unit. A hate crime is actual or threatened physical violence or intimidation that is directed against a person or his property and is based on the person's race, color, religion, sex, national origin, disability or familial status, including sexual orientation, and occurred or is of a continuing nature.
7. Displacement by non-suitability of the unit when a member of the family has a mobility or other impairment that makes the person unable to use critical elements of the unit and the owner is not legally obligated to make changes to the unit. Critical elements are entry and egress of unit and building, a sleeping area, a full bathroom, a kitchen if the person with a disability must do their own food preparation/other.
8. Due to HUD disposition of a multifamily project under Section 203 of the Housing and Community Development Amendments of 1978.

Standard Replacement Housing:

In order to receive the displacement preference, applicants who have been displaced must not be living in "standard, permanent replacement housing." Standard replacement housing is defined as housing that is decent, safe and sanitary according to Housing Quality Standards ("HQS") and local housing code/other, that is adequate for the family size according to HQS local/state/BOCA code, and that the family is occupying pursuant to a written or oral lease or occupancy agreement.

Standard replacement housing does not include transient facilities, hotels, motels, temporary shelters, and (in the case of Victims of Domestic Violence) housing occupied by the individual who engages in such violence. It does not include any individual imprisoned or detained pursuant to State Law or an Act of Congress. Shared housing with family or friends will be considered on a case-by-case basis.

Substandard Housing: Applicants who live in substandard housing are families whose dwelling meets one or more of the following criteria provided that the family did not cause the condition:

1. Is dilapidated, as cited by officials of a code enforcement office and does not provide safe, adequate shelter; has one or more critical defects or a combination of defects requiring considerable repair; endangers the health, safety, and well-being of family.
2. Does not have operable indoor plumbing.
3. Does not have usable flush toilet in the unit for the exclusive use of the family.
4. Does not have usable bathtub or shower in unit for exclusive family use.
5. Does not have adequate, safe electrical service.
6. Does not have an adequate, safe source of heat.
7. Should, but does not, have a kitchen. (Single Room Occupancy [SRO] Housing is not substandard solely because it does not contain sanitary and/or food preparation facilities in the unit).
8. Has been declared unfit for habitation by a government agency.
9. Is overcrowded according to local code.
10. An applicant who is a "Homeless Family" is considered to be living in substandard housing. "Homeless Families" lack a fixed, regular and adequate nighttime residence. They also may have a primary nighttime residence that is a supervised public or private shelter providing temporary accommodations (including welfare hotels, congregate shelters and transitional housing), or an institution providing temporary residence for individuals intended to be institutionalized, or a public or private place not ordinarily used as a sleeping accommodation for human beings.

Homeless families may maintain their place on the waiting list while completing a transitional housing program. Families who are residing with friends or relatives on a temporary basis will be considered homeless.

Rent Burden: Families paying more than fifty percent (50%) of their income for rent for at least ninety (90) days commencing before they were selected from the Waiting List and continuing through the verification of preference will receive this preference.

For purposes of this preference, "Family Income" is "Gross Monthly Income" as defined in the regulations. "Rent" is defined as the actual amount due under a lease or occupancy agreement calculated on a monthly basis without regard to the amount actually paid.

To qualify for the Rent Burden preference, the applicant must pay rent directly to the landlord or agent. If the applicant pays their share of rent to a cohabitant and is not named on the lease, the Authority will require both verification from the Landlord that the applicant resides in the unit, and verification from the cohabitant of the amount of rent paid by the applicant.

If the applicant is subletting, the lessor must have the legal right to sublet.

If an applicant owns a mobile home, but rents the space upon which it is located, then "Rent" must include the monthly payment made to amortize the purchase price of the home.

Members of a cooperative are "renters" for the purposes of qualifying for the preference. In this case, "Rent" would mean the charges under the occupancy agreement.

Veteran: A person who currently serves or served in the active military, naval or air service, and who was discharged or released therefrom under conditions other than dishonorable. This includes not only the United States Army, Navy, Marine Corps, Air Force and Coast Guard, but also a member of the Reserves, Air or Army National Guard.

5.0 WAITING LIST MANAGEMENT

In compliance with HUD regulations, the Authority is required to make no less than 40% of units that become available per Authority fiscal year for occupancy by Extremely Low-Income ("ELI") families whose income does not exceed the higher of 30% of the area median income or the federal poverty level (see definition in Section 20).

5.1 Opening the Waiting List:

It is the practice of the Authority that the admissions waiting list remain open. Placement on the admissions waiting list shall be based upon the date and time the application is received.

When opening the waiting list, the Authority shall advertise the availability of applications for public housing. The advertisement shall contain the following:

- a) The Authority will publish the date applications will be accepted and the location where applications can be submitted. If the Authority anticipates suspending the taking of applications after a period of time, the date of acceptance and closing of applications must be published.
- b) Briefly describe the public housing program; and
- c) State that applicants for public housing must specifically apply for public housing units and that they may also apply for to the Housing Choice Voucher (Section 8) Program, if that waiting list is also open. It will state that applicants will not lose their place on the public housing waiting list if they also apply for Section 8.

Placement on the waiting list does not indicate that the applicant is eligible for admission or that the applicant will receive a housing offer. When an applicant reaches the top of the waiting list, the applicant's information will be verified, including the applicable admission preference, to determine the applicant's eligibility. An applicant failing to provide verification of applicable admission preference will not be eligible for that preference and their application will be restored to the general waiting list.

5.2 Removal from the Waiting List:

The Authority will remove applicants from the waiting list under the following circumstances:

- a) The applicant received and accepted an offer of a public housing unit or a Housing Choice Voucher. They will be removed from that waiting list and will remain on any other waiting lists to which they applied but may forfeit a preference.
- b) The applicant requested to be removed from the waiting list.
- c) The applicant was determined to be ineligible for assistance. If the applicant is denied because of a HUD-mandated reason (i.e., registered sex offender, etc.) or for fraud, they will be removed from all waiting lists and must re-apply to each waiting list after a three-year period in which they are prohibited from applying.
- d) The applicant failed to respond to the Authority after two (2) documented letters were mailed to the applicant and/or they otherwise failed to express continued interest during a waiting list update.
- e) The applicant failed provide or sign requested documents in a timely manner, or failed to attend scheduled meetings.
- f) Mail properly addressed to the applicant's last known address is returned to the Authority.
- g) The applicant refused the unit offered without adequate or good cause.

The Authority will not reinstate any applicant on the waiting list who was sent two (2) appointment letters and failed to respond, or who was withdrawn for a period of one year or more. Once an applicant is removed from the waiting list, the applicant will be required to reapply and shall be assigned a new application date.

Consideration will be given if "good cause" exists, such as health problems, which prevented an applicant from contacting the Authority, if such information is provided within a reasonable period. If an applicant's failure to respond is related to a disability and verification is submitted and approved, the application will be reinstated to its former position on the waiting list.

If a family is removed from the waiting list for failure to respond, the BHA may reinstate the family if it is determined that the lack of response was due to BHA error, or to circumstances beyond the family's control, as a result of a family member's disability, or as a direct result of status as a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, including an adverse factor resulting from such abuse.

5.3 Purging the Waiting List:

The Authority understands the importance of purging the waiting list. This action should keep the waiting list as up-to-date as possible and minimize the number of no shows and ineligible determinations. Factors that may require an applicant to update his or her application include: family move, change in income, change in family composition or change in circumstances affecting the applicant's preference status.

Purging the waiting list prevents delays in leasing activities. The goal in purging the waiting list is to obtain current information on interested applicants and to remove applicants no longer interested in participating in the program.

5.4 Related Waiting List Procedures – Process of Applying for Admission:

The Authority shall obtain a written application signed by a responsible adult member of the family. All applications received will be dated and time stamped and maintained in the administrative office. Each application shall be assigned an appropriate place on the waiting list on a community-wide basis and in sequence based upon: date the application is received; the suitable type and size of unit; and by factors affecting preference or priority established by the Authority but not inconsistent with the objectives of Title III of the Civil Rights Act of 1964 and the HUD regulations and requirements pursuant thereof.

Eligible families on the waiting list must contact the Authority within ten (10) days of the occurrence if any change in family composition, income, factors affecting preference, or a change in contact information, such as address and phone number, should occur.

When a prospective offer of an apartment is made to an applicant family, in accordance with the Authority's admission preferences and eligibility criteria, they will be scheduled for an interview to verify the admission preference claimed as well as their eligibility for the public housing program. If the applicant family qualifies, the Authority will conduct appropriate background screening to determine if the applicant will be a suitable tenant.

In evaluating an applicant's suitability for tenancy, the Authority will review information received from the following sources:

- a) The applicant by means of interviews;
- b) Present and former landlords or housing providers;
- c) Employers;
- d) Family caseworkers, parole officers, court records, drug treatment centers, clinics, physicians or other medical providers, clergy, etc.;
- e) Background checks through the Bayonne Police Department or other local, state and/or federal law enforcement agencies;
- f) Landlord record services and/or credit checks;
- g) Other agencies, as appropriate.

The Authority will not charge any applicant for processing the application, credit checks or law enforcement background screening.

Suitable vacancies arising at a given time at any location shall be offered to the eligible applicant first in sequence at such time. If the applicant offered the available apartment refuses, this refusal must be submitted in writing to the Authority within 24 hours of receiving the keys. It is the responsibility of the applicant to then reapply through the normal application process and be placed on the waiting list as of the date they submitted a new application.

In addition, any and all forms requiring signature of applicants or tenants that involve a contract of stipulations regarding admission and occupancy shall be read and explained to the tenant or applicant prior to signing. If economically feasible, all above listed documents shall be available in Spanish upon request and/or self-evident need. In any event, the Authority shall supply an applicant who does not read or write the English language with a translator if this is economically feasible.

5.5 De-concentration Policy:

The tenant selection criteria and requirements have been established in a manner compatible with the objectives of Title II of the Civil Rights Act of 1964 and HUD regulations and requirements pursuant thereto. The Authority's policies and procedures are designed to:

- a) Avoid concentrations of the most economically and socially deprived families to any one or all Authority's public housing developments;
- b) Preclude admission of applicants whose habits and practices reasonably may be expected to have a detrimental effect on tenants or the environment of the development;
- c) Attain, within a reasonable period of time, a resident body in each development composed of families with a broad range of incomes and rent paying ability which is generally representative of the range of incomes of low-income families in the Authority's area of operation as defined in state law. However, a dwelling unit will not remain vacant for the purpose of awaiting an application by a family falling within the appropriate range.

Such policies and procedures shall:

- not automatically deny admission to a particular group or category of otherwise eligible applicants (i.e. single mothers);
- assure that selection by the Authority among otherwise eligible applicants is objective and reasonable;
- be consistent with the Authority's responsibilities as a public body; and
- be in compliance with state, local, and Federal laws and regulations, including the non-discriminating requirements of Title VI of the Civil Rights Act of 1964, and the provisions of the Annual Contributions Contract.

5.6 Non-compliance with the Authority's Schedule of Appointments and the Submission of Documents:

An applicant must adhere to all schedules established by the Authority to review eligibility. An applicant who fails to keep an appointment, either in-person or by virtual means, or does not

respond to two (2) attempts by email/mail and without notifying the Authority in advance or without re-scheduling the appointment shall be withdrawn from the waiting list.

5.6.1 Letters Mailed to Applicants by the Authority

If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file. If a letter is returned with a forwarding address, it will be re-mailed to the address indicated.

If the letter was returned to the Authority and the applicant can provide evidence that they were living at the address to which the letter was sent, the applicant will be reinstated with the date and time of the application in effect at the time the letter was sent.

Notices will be made available in accessible format upon the request of a person with a disability. Applicants are required to contact the Authority in writing to confirm their continued interest.

Applicants must notify the Authority, in writing, if their address changes at any time during the application process.

5.7 Notification of Applicants:

The Authority will promptly notify all applicants as to their eligibility or ineligibility as follows:

- a) An eligible applicant will be notified of the approximate date of occupancy insofar as that date can be reasonably determined. If an approximate date cannot be determined, the Authority will inform the applicant of the year and time frame in which applications are currently being processed.
- b) An ineligible applicant will be notified of the basis for the determination and will be provided upon a written request within ten (10) days after the determination with an opportunity for an informal meeting. The Authority will hold this informal meeting within ten (10) days of the request. The person designated by the Authority to conduct the informal meeting shall be an impartial person appointed by the Authority other than the person who made the initial determination under review. The meeting shall be conducted in accordance with applicable HUD and Authority rules. The hearing officer shall return a decision within ten (10) days of the meeting. The Authority's grievance procedure applies only to tenants. It does **not apply** to applicants.
- c) The Authority will maintain all applicants' records indicating the final action taken, including applications that have been determined inactive in accordance with HUD requirements.

5.8 Misrepresentation by the Applicant or Tenant

If an applicant or tenant is found to have made intentional or unintentional misrepresentations at any time which resulted in the applicant or tenant being classified as eligible, when, in fact, they were ineligible, the applicant will be declared ineligible and the lease and/or application will be terminated because of the misrepresentation by the applicant.

If such misrepresentation resulted in the tenant paying a lower rent than was appropriate, the tenant shall be required to pay the difference between the actual payments and the amount which should

have been paid. In justifiable instances, the Authority may take such other actions as it deems appropriate, including referring the tenant to the proper authorities for possible criminal prosecution.

6.0 OCCUPANCY STANDARDS

The following standards will determine the number of bedrooms required to accommodate a family of a given size and will be adhered to in every instance where availability of units permits.

<u># Bedrooms</u>	<u>Minimum # Persons</u>	<u>Maximum # Persons</u>
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8

An exception to this policy will be made in any case where there are infants and children up to, but not including, five (5) years of age. They may stay in the same room with the parent(s). In extraordinary cases, these standards may be waived (i.e., intergenerational families). Reassignment or transfers to other dwelling units shall be made without regard to race, color, creed, or national origin as follows:

- a) Tenants shall not be transferred to a dwelling unit of equal size unless transferring from a public housing unit to a public housing unit in a building designated for senior/disabled tenants and they are eligible to reside in such housing;
- b) If, pursuant to occupancy standards, the size of the dwelling unit is no longer appropriate to the tenant's needs, that tenant will be required to move to another available unit of appropriate size, wherever located. Tenant agrees to move when the Authority makes such a unit available within fourteen (14) calendar days from the date of notice. Failure to accept an alternative unit shall be grounds for termination of tenancy and eviction. The Authority shall employ provisions contained in the lease with respect to moving expenses.

7.0 LEASING OF DWELLING UNITS

Only those persons listed on the most recent certification form shall be permitted to occupy a dwelling unit unless there is a birth to a family member or an authorized addition by the Authority in writing.

All household members age eighteen (18) years or older will be required to sign a lease agreement prior to actual admission. The Executive Director will also sign the lease with one copy given to the tenant and one copy will be maintained in the tenant's file in the Authority's main office.

7.1 Visitors:

Tenants will not be given permission to allow a former tenant of the Authority who has been evicted to sleep overnight in the unit for any period of time whatsoever.

Tenants may allow guests or visitors to sleep overnight for a period not to exceed fourteen (14) calendar days per year. Visitors remaining beyond this period shall be considered trespassers and the tenant shall be guilty of a breach of the lease.

7.2 Senior/Elderly Tenants:

If the tenant is unable to care for one-self, with or without, the aid of a full or part time caretaker, the tenant understands and agrees that the lease may be terminated. This termination will be pursuant to the appropriate procedures and especially apply in the event, that the tenant becomes so physically or mentally incapable of maintaining the premises in a habitable condition or of caring for their own physical or mental needs such that reasonable accommodations will not be sufficient to meet such needs and where the tenant cannot arrange for someone to assist in performing these functions. Nothing herein shall be construed to compel the Authority to provide accommodations or continued tenancy to a tenant or to household members who, because of physical, mental or emotional illness, have become a threat to the health or safety of such tenant or household members themselves, who have become a threat to the health, safety, or right to peaceful enjoyment of the Authority premises or any other tenant or Authority employee.

7.3 Occupancy by Police Officers in Public Housing:

A police officer is defined as a person determined by the Authority to be, during the period of tenancy of that person in public housing, employed on a full time-basis as a duly licensed professional police officer by a federal, state or local government or by any agency of these governments. An officer of an accredited police force of a housing agency may qualify.

For the purpose of increasing security for the tenants of a public housing development, the Authority may allow police officers, who would not otherwise be eligible for public housing, to reside in a public housing unit.

8.0 TRANSFERS

Transfers of families from one unit to another shall occur only as follows:

- a) Increase or decrease in family size that creates overcrowding or underutilizing of the unit.
- b) Family whose member becomes disabled, or when a disabled member no longer lives in the unit.
- c) Emergency transfers under the Violence Against Women Act (VAWA).

If a tenant's family transfers from one dwelling unit to another, a new lease shall be executed. All adult household members age eighteen (18) years or older will be required to sign the lease.

8.1 Types of Transfers:

Tenants shall not be transferred to a dwelling unit of equal size either within a project or between projects, except for alleviating hardships as determined solely by the Authority. The Authority shall offer only one (1) unit to a family unless there is a hardship situation as determined solely by the Authority. If the tenant refuses the unit offered, the lease may be terminated by the Authority

by providing the tenant with a sixty (60) calendar day notice. Tenants must leave the dwelling unit in a clean and good condition; reasonable wear and tear is expected, and return the keys to Authority when the tenant vacates. An inspection will be conducted by a representative of the Authority.

- a) **Authority initiated.** The Authority may, at its discretion, transfer tenants because of an uninhabitable unit, major repairs, or other actions initiated by the Authority. For these types of transfers the Authority will cover the cost of the transfer pursuant to those costs allowed by HUD. Tenants shall be given fourteen (14) calendar days to move following the delivery of a transfer notice. If the tenant refuses to move, the Authority may terminate the lease.
- b) **Transfers for Reasons of Health.** A tenant may be transferred when the Authority determines that there is a medical need for such transfers, such as an inability to negotiate stairs or steps. The tenant will be required to provide a statement from a medical doctor which indicates the condition of the tenant and the Authority reserves the right to make its own evaluation of the situation and documentation. If the Authority determines that there is not a substantial and necessary medical need for such transfer, the request will be denied. Transferring tenants will have ten (10) calendar days to move. Tenants shall accept any replacement unit offered by the Authority. If the tenant refuses to move, the Authority may terminate the lease.
- c) **Transfers for Over/Under-housed Families to the Appropriate Unit.** The Authority may transfer tenants to the appropriate-sized unit and tenants are obligated to accept such transfers. Transfers will be made in as per the following:
 - Determination of the correct sized apartment shall be in accordance with the Authority's occupancy guidelines, as outlined in this ACOP.
 - Tenants must pay for their moving expenses.
 - Tenants shall accept any replacement unit offered by the Authority.
- d) **Transfers under the Violence Against Women Act (VAWA)**

In accordance with VAWA, tenants who are victims of domestic violence, dating violence, sexual assault or stalking can request an emergency transfer from the tenant's current unit to another unit. The Authority's VAWA policy is incorporated by reference.

Transferring tenants will have fourteen (14) calendar days to move. If the Authority initiates the transfer and the tenant refuses to move, the Authority may terminate the lease. If the transfer is initiated by the tenant and they refuse to move upon an offer of a suitable apartment, the tenant will be removed from the transfer waiting list.
- e) **Family Breakup [24 CFR 982.315; Notice PIH 2017-08]**

Except under the following conditions, the Authority has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up:

 - If the family breakup results from an occurrence of domestic violence, dating violence sexual assault, stalking or human trafficking, the Authority must ensure that the victim retains assistance. (For documentation requirements and policies related to domestic violence, dating violence, sexual assault, stalking and human trafficking, see the full VAWA policy attached.)

- If a court determines the disposition of property between members of the assisted family, the BHA is bound by the court's determination of which family members continue to receive assistance.

8.2 Priorities for Transfers:

All transfers must be either for health reasons, for relocation to an appropriate-sized unit, or initiated by the Authority due to modernization work and/or other good cause as determined by the Authority and, under certain circumstances such as for emergencies (including but not limited to situations related to fires, domestic violence, etc.), reasonable accommodations, demolition, etc., may take priority over waiting list admissions. The transfer priorities are listed below:

- a) Authority initiated transfers (emergencies, VAWA, reasonable accommodation, demolition/rehabilitation, etc.)
- b) Tenants who are under-housed by two or more bedrooms
- c) Tenants who are over-housed by two or more bedrooms
- d) Tenants who are under-housed by one bedroom
- e) Tenants who are over-housed by one bedroom

Within each priority type, transfers will be ranked by date of request or date of under/over-housed. In processing transfers requested by tenants for approved health reasons, or to move to a larger apartment, the date shall be that on which the Authority was notified in writing by the tenant.

8.3 Transfer Procedures

The Authority shall conduct transfers in accordance with the following process:

- a) Maintain a prioritized transfer list;
- b) Notify tenants by letter of their pending transfer;
- c) Evaluate the request for transfer based on approved medical reasons;
- d) Issue notice to transfer as soon as a vacant apartment is available for occupancy;
- e) Plan and implement any special transfer systems for modernization and other similar programs;
- f) Inspect both apartments involved in the transfer, charging for any tenant damages that is not considered normal wear and tear;
- g) When the tenant is transferred for modernization, the cost of the transfer shall be paid by the Authority, pursuant to cost that is allowed by HUD.

The Authority shall offer only one (1) unit to a family unless there is a hardship determined solely by the Authority. If the tenant refuses the unit offered, the lease may be terminated by the Authority by providing the tenant with a sixty (60) calendar day notice. The tenant must leave the dwelling unit in a clean and good condition; reasonable wear and tear is expected, as determined by a move-out inspection. The tenant must return the unit in its original condition (i.e., paint all rooms white, remove carpeting, clear and clean all rooms, etc.) at their own cost and within fourteen (14) calendar days after being transferred to another unit. Failure to comply will result in the tenant being charged for repairs.

The tenant must surrender the keys to the unit they moved from to the Authority. If all keys are not returned, the tenant will be charged for any missing keys. Upon surrender of the keys, a receipt will be given to the tenant for their records. If the Authority initiates the transfer, the cost will be paid by the Authority pursuant to those costs allowed by HUD. If the transfer is initiated by the tenant, the cost will be paid by the tenant.

Rights of the Authority in the Transfer Policy - The provisions listed above are to be used as a guide to insure fair and impartial means of assigning units for transfers. It is not intended that this policy shall create a property right or any other type of right for a tenant to transfer or refuse transfer.

8.4 Moving/Storage Expenses:

The Authority shall not provide a mover at its expense for any tenant moving out of public housing. In addition, the Authority will not reimburse any tenant for any miscellaneous expenses involved with moving from one apartment to another.

When a tenant vacates the apartment, a move-out inspection will be performed. If, during the inspection, it is found that furnishings have been left by the tenant, the cost to remove and dispose of the furnishings will be charged to the tenant.

9.0 INCOME AND SUBSIDY DETERMINATIONS

A family's income determines eligibility for assistance and is also used to calculate the family's rent payment. The BHA will use the policies and methods described in this chapter to ensure that only eligible families receive assistance and that no family pays more or less than its obligation under the regulations. This chapter describes HUD regulations and BHA policies related to these topics in four sections as follows:

Annual Income. HUD regulations specify the sources of income which are excluded from the family's annual income. These requirements and BHA policies for calculating annual income are found in Section 9.1.

Assets. HUD regulations specify the types of assets which are excluded from a family's annual income. These requirements and BHA policies for calculating income from assets are found in Section 9.2.

Adjusted Income. Once annual income has been established, HUD regulations require the BHA to subtract from annual income any of five mandatory deductions for which a family qualifies and allow the BHA to adopt additional permissive deductions. These requirements and BHA policies for calculating adjusted income are found in Section 9.3.

Calculating Family Share. This part describes the statutory formula for calculating total tenant payment (TTP), the use of utility allowances (if applicable), and the methodology for determining required family rent payment.

9.1 Annual Income:

Annual income includes:

All amounts, not specifically excluded in 24 CFR 5.609(b);

- All amounts received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse;
- Unearned income by or on behalf of each dependent who is under 18 years of age; and
- Imputed returns of an asset based on the current passbook savings rate, as determined by HUD, when the value of net family assets exceeds \$50,000 (which amount HUD will adjust annually) and the actual returns from a given asset cannot be calculated.

In addition to this general definition, the regulations at 24 CFR 5.609(b) provide a comprehensive listing of all sources of income that are excluded from annual income. Note, unlike in previous versions of the regulations, the current regulations governing annual income do not list sources of income that are to be included. Instead, HUD relies on the definition of excluded income under 24 CFR 5.609(b) to provide the scope of what is included. To that end, generally, all income is included unless it is specifically excluded by regulation.

Annual income includes “all amounts received,” not the amount that a family may be legally entitled to receive but did not receive. For example, a family’s child support or alimony income must be based on payments received, not the amounts to which the family is entitled by court or agency orders [Notice PIH 2023-27].

Annual income also includes all actual anticipated income from assets (provided the income is not otherwise excluded) even if the asset itself is excluded from net family assets [Notice PIH 2023-27]. 24 CFR 5.603(b)(1) describes HUD regulations for treating specific types of income and assets. The full texts of those portions of the regulations are provided in exhibits at the end of this chapter as follows:

- Annual Income Full Definition (Exhibit 9-1)
- Treatment of Family Assets (Exhibit 9-2)
- The Effect of Welfare Benefit Reduction (Exhibit 9-3)

Section 9 discuss general requirements and methods for calculating annual income. The rest of this section describes how each source of income is treated for the purposes of determining annual income. Verification requirements for annual income are discussed in Section 11.

9.1.1 Household Composition and Income:

Income received by all family members must be counted unless specifically excluded by the regulations. It is the responsibility of the head of household to report changes in family composition in accordance with HUD regulations and BHA policies in Section 9. The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

Summary of Income Included and Excluded by Person	
Live-in aides	Income from all sources (both earned and unearned) is excluded [24 CFR 5.609(b)(8)].
Foster child or foster adult	Income from all sources (both earned and unearned) is excluded [24 CFR 5.609(b)(8)].
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded by the regulations are included [24 CFR 5.609(a)].
Minors	Earned income of children under 18 years of age is excluded [24 CFR 5.609(b)(3)]. All other sources of unearned income, except those specifically excluded by the regulations, are included [24 CFR 5.609(a)].
Full-time students 18 years of age or older (not head, spouse, or cohead)	Earned income in excess of the dependent deduction is excluded [24 CFR 5.609(b)(14)]. All other sources of unearned income, except those specifically excluded by the regulations, are included.

Temporarily Absent Family Members:

The current regulations governing annual income do not specifically address temporarily absent family members. The regulations also do not define “temporarily” or “permanently” absent or specify a timeframe associated with a temporary versus a permanent absence.

BHA Policy

Unless specifically excluded by the regulations, the income of all family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit. Generally, an individual who is or is expected to be absent from the unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally, an individual who is or is expected to be absent from the unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students:

BHA Policy

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the BHA indicating that the student has established a separate household, or the family declares that the student has established a separate household.

Absences Due to Placement in Foster Care:

Children temporarily absent from the home as a result of placement in foster care (as confirmed by the state child welfare agency) are considered members of the family [24 CFR 5.403].

BHA Policy

If a child has been placed in foster care, the BHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will continue to be counted as a family member.

Absent Head, Spouse, or Cohead :

BHA Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

Family Members Permanently Confined for Medical Reasons:

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted.

Absence due to Medical Reasons:

BHA Policy

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the Authority will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home or other facility, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than sixty (60) consecutive days, the family member will not be considered permanently absent.

If the person who is determined to be permanently absent is the sole member of the household, tenancy will be terminated in accordance with the Authority's "Absence of Entire Family" policy referenced below.

Joint Custody of Dependents:

BHA Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family 50 percent or more of the time.

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

Caretakers for a Child:

BHA Policy

The approval of a caretaker is at the BHA's discretion and BHA's screening criteria. If neither a parent nor a designated guardian remains in the household, the BHA will take the following actions.

- (1) If a responsible agency has determined that another adult is to be brought into the unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.
- (2) If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases the BHA will extend the caretaker's status as an eligible visitor.
- (3) At any time that custody or guardianship legally has been awarded to a caretaker, the lease will be transferred to the caretaker.
- (4) During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income.

Absence of Entire Family:

BHA Policy

Tenant shall not leave the apartment unattended, unoccupied or otherwise vacant for any period not to exceed thirty (30) consecutive days. The Authority shall consider the household to have abandoned the unit if the Authority reasonably believes that the Apartment has been unattended, unoccupied or otherwise vacant for more than thirty (30) consecutive days; and/or the household's rent is past due for more than sixty (60) consecutive days (Refer to the Authority's lease for additional provisions).

Reporting Additions to the Authority:

The family obligations require the family to request the Authority's approval to add any other family member as an occupant of the unit and to inform the Authority of the birth, adoption or court-awarded permanent custody of a child. The family must request prior approval of additional household members in writing. In addition, the person requesting to be added to the leaseholder's household, must undergo a criminal background check, sign a Release of Information form, as well as providing all required information. If the family does not obtain prior written approval from the Authority, any person the family has permitted to move in will be considered an unauthorized household member. A lease addition will be conducted for an addition to the household.

Reporting Absences to the Authority:

Reporting changes in household composition is both a HUD and an Authority requirement. If a family member leaves the household, the family must report this change to the Authority, in writing, within ten (10) working days of the change and certify as to whether the member is temporarily absent or permanently absent. The written notice must state the exact amount of time the family member will be absent. The Authority must also be informed in writing if the unit will be vacant for thirty (30) or more days.

9.1.2 Calculating Annual Income:

The methodology used for calculating income differs depending on whether income is being calculated at initial occupancy, interim reexamination, or at annual reexamination. However, income from assets is always anticipated regardless of certification type.

Anticipating Annual Income [24 CFR 5.609(c)(1)]:

At initial occupancy and for an interim reexamination of family income, the BHA is required to use anticipated income (current income) for the upcoming 12-month period following the new admission or interim reexamination effective date. Policies related to verifying income are found in Section 12.

BHA Policy

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

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

In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how the BHA annualized projected income.

Known Changes in Income:

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

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

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases the BHA will calculate annual income using current circumstances and then, should the change in income require the BHA to conduct an interim reexamination, conduct an interim reexamination in accordance with BHA policy in Section 12.

Calculating Annual Income at Annual Reexamination [24 CFR.609(c)(2); Notice PIH 2023-27]:

At annual reexamination, PHAs must first determine the family's income for the previous 12-month period and use this amount as the family income for annual reexaminations; however, adjustments to reflect current income must be made. Any change of income since the family's last annual reexamination, including those that did not meet the threshold to process an interim reexamination of family income in accordance with BHA policies in Section 12 and HUD regulations, must be considered. If, however, there have been no changes to income, then the amount of income calculated for the previous 12-month period is the amount that will be used to determine the family's rental assistance. Income from assets is always anticipated, irrespective of the income examination type. Policies related to conducting annual reexaminations are located in section 12.

9.1.3 Earned Income:

Wages and Related Compensation [24 CFR 5.609(a); Notice PIH 2023-27]

The earned income of each member of the family who is 18 years of age or older, or who is the head of household or spouse/cohead regardless of age, is included in annual income. Income received as a day laborer or seasonal worker is also included in annual income, even if the source, date, or amount of the income varies [24 CFR 5.609 (b)(24)].

Earned income means income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits [24 CFR 5.100].

A day laborer is defined as an individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future [24 CFR 5.603(b)].

A seasonal worker is defined as an individual who is hired into a short-term position(e.g., for which the customary employment period for the position is six months or fewer) and the employment begins about the same time each year (such as summer or winter). Typically, the individual is hired to address seasonal demands that arise for the particular employer or industry [24 CFR 5.603(b)]. Some examples of seasonal work include employment limited to holidays or agricultural seasons. Seasonal work may include but is not limited to employment as a lifeguard, ballpark vendor, or snowplow driver [Notice PIH 2023-27].

BHA Policy

The BHA will include in annual income the full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation.

For persons who regularly receive bonuses or commissions, the BHA will verify and then average amounts received for the two years preceding admission or interim reexamination. If only a one-year history is available, the BHA will use the prior year amounts. In either case the family may provide, and the BHA will consider, a credible justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, the BHA will count only the amount estimated by the employer. The file will be documented appropriately.

Military Pay:

All regular pay, special pay and allowances of a member of the Armed Forces are counted except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(b)(11)].

Earnings of a Minor [24 CFR 5.609(b)(3)]

A minor is a member of the family, other than the head of household or spouse, who is under 18 years of age. Employment income earned by minors is not included in annual income. All other sources of unearned income, except those specifically excluded by the regulations, are included.

Earned Income of Full-Time Students [24 CFR 5.609(b)(14)]

The earned income of a dependent full-time student in excess of the amount of the dependent deduction is excluded from annual income. All sources of unearned income, except those specifically excluded by the regulations, are included.

A family member other than the head of household or spouse/cohead is considered a full-time student if they are attending school or vocational training on a full-time basis [24 CFR 5.603(b)]. To be considered “full-time,” a student must be considered “full-time” by an educational institution with a degree or certificate program.

EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES [24 CFR 5.617; Streamlining Final Rule (SFR) Federal Register 3/8/16; Notice PIH 2023-27]

HOTMA removed the statutory authority for the EID. The EID is available only to families that are eligible for and participating on the program as of December 31, 2023, or before; no new families may be added on or after January 1, 2024. If a family is receiving the EID prior to or on the effective date of December 31, 2023, they are entitled to the full amount of the benefit for a full 24-month period. The policies below are applicable only to such families. No family will still be receiving the EID after December 31, 2025. The EID will sunset on January 1, 2026, and the BHA policies below will no longer be applicable as of that date or when the last qualifying family exhausts their exclusion period, whichever is sooner.

Calculation of the Disallowance:

Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member’s current income with their “baseline income.” The family member’s baseline income is their income immediately prior to qualifying for the EID. The family

member's baseline income remains constant throughout the period that they are participating in the EID.

Calculation Method:

Initial 12-Month Exclusion

During the initial exclusion period of 12 consecutive months, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded.

BHA Policy

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

Second 12-Month Exclusion

During the second exclusion period of 12 consecutive months, the BHA must exclude at least 50 percent of any increase in income attributable to employment or increased earnings.

BHA Policy

During the second 12-month exclusion period, the BHA will exclude 50 percent of any increase in income attributable to new employment or increased earnings.

Lifetime Limitation:

The EID has a two-year (24-month) lifetime maximum. The two-year eligibility period begins at the same time that the initial exclusion period begins and ends 24 months later. During the 24-month period, an individual remains eligible for EID even if they begin to receive assistance from a different housing agency, move between public housing and Section 8 assistance, or have breaks in assistance. The EID will sunset on January 1, 2026. In no circumstances will a family member's exclusion period continue past January 1, 2026.

BUSINESS AND SELF-EMPLOYMENT INCOME [24 CFR 5.609(b)(28); Notice PIH 2023-27]

Annual income includes net income from the operation of a business or profession. Net income is gross income minus business expenses that allows the business to operate. Gross income is all income amounts received into the business, prior to the deduction of business expenses.

Expenditures for business expansion or amortization of capital indebtedness may not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.”

BHA Policy

To determine business expenses that may be deducted from gross income, the BHA will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is addressed by HUD regulations or guidance as described herein.

Independent Contractors:

Income received as an independent contractor is included in annual income, even if the source, date, or amount of the income varies [24 CFR 5.609 (b)(24)].

An independent contractor is defined as an individual who qualifies as an independent contractor instead of an employee in accordance with the Internal Revenue Code Federal income tax requirements and whose earnings are consequently subject to the Self-Employment Tax. In general, an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done [24 CFR 5.603(b)].

Business Expansion:

HUD regulations do not permit the BHA to deduct from gross income expenses for business expansion.

BHA Policy

Business expansion is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

Capital Indebtedness:

HUD regulations do not permit the BHA to deduct from gross income the amortization of capital indebtedness.

BHA Policy

Capital indebtedness is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means the BHA will allow as a business expense interest, but not principal, paid on capital indebtedness.

Negative Business Income:

If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.

Withdrawal of Cash or Assets from a Business:

HUD regulations require the BHA to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family.

BHA Policy

Acceptable investments in a business include cash loans and contributions of assets or equipment. For example, if a member of an assisted family provided an up-front loan of \$2,000 to help a business get started, the BHA will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid. Investments do not include the value of labor contributed to the business without compensation.

Co-owned Businesses:

BHA Policy

If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference.

Assets Owned by a Business Entity:

If a business entity (e.g., limited liability company or limited partnership) owns the asset, then the family's asset is their ownership stake in the business, not some portion of the business's assets. However, if the family holds the assets in their own name (e.g., they own one-third of a restaurant) rather than in the name of a business entity, then the percentage value of the asset owned by the family is what is counted toward net family assets (e.g., one-third of the value of the restaurant) [Notice PIH 2023-27]

9.1.4 Student Financial Assistance [FR Notice 2/14/23 and Notice PIH 2023-27]:

Introduction:

All assistance received under 479B of the HEA by students participating in the Public Housing or non-Section 8 programs administered by MFH is excluded from income. Other student financial assistance received by the student that, either by itself or in combination with HEA assistance, exceeds the actual covered costs is not excluded from income. Prior to the final rule, the full amount of student financial assistance paid directly to the student or to the educational institution was excluded.

Actual covered costs include: tuition, books, supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and fees required and charged to a student by an institution of higher education (as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1087uu)). For a student who is not the head of household, cohead, or spouse, actual covered costs also include the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

Pre-HOTMA PH Student Financial Assistance [PIH Guidebook (3.7)]

Student financial assistance refers to any amount paid directly to the educational institution or to the student for an educational program, including but not limited to post-secondary and graduate school. Student financial assistance received for tuition and other required fees is not included in annual income.

All forms of student financial assistance (grants, scholarships, educational entitlements, work study programs, and financial aid packages) are excluded from annual income for students residing with their parents or guardians in public housing, including those who live away at school. This remains true whether the assistance is paid to the student or directly to the educational institution.

HOTMA Student Financial Assistance Requirements [24 CFR 5.609(c)(6)]

The regulations under HOTMA distinguish between two categories of student financial assistance paid to both full-time and part-time students.

Types of Assistance (Excluded)

Any assistance to students under section 479B of the Higher Education Act of 1965 (Title IV of the HEA) must be excluded from the family's annual income [24 CFR 5.609(c)(6)]

Examples of assistance under title IV of the HEA include:

- Federal Pell Grants;
- Teach Grants;
- Federal Work Study Programs;
- Federal Perkins Loans;
- Income earned in employment and training programs under section 134 of the Workforce Innovation and Opportunity Act (WIOA); or
- Bureau of Indian Affairs/Education student assistance programs
- The Higher Education Tribal Grant
- The Tribally Controlled Colleges or Universities Grant Program

Any amount of the scholarship or grant that, either by itself or in combination with assistance excluded under this paragraph exceeds the actual covered costs of the student [24 CFR 5.609(c)(6)].

The actual covered costs are:

- Tuition, books, and supplies;
- Including supplies and equipment to support students with learning disabilities or other disabilities
- Room and board; and
- Other fees required and charged to a student by the education institution.

For a student who is not the head of household or spouse/cohead, actual covered costs also include the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

Further, to qualify, other student financial assistance must be expressly:

- For tuition, book, supplies, room and board, or other fees required and charged to the student by the educational institution;
- To assist a student with the costs of higher education; or
- To assist a student who is not the head of household or spouse with the reasonable and actual costs of housing while attending the educational institution and not residing in an assisted unit.

The student financial assistance may be paid directly to the student or to the educational institution on the student's behalf. However, any student financial assistance paid to the student must be verified by the BHA.

The financial assistance must be a grant or scholarship received from:

- The Federal government;
- A state, tribal, or local government ;
- A private foundation registered as a nonprofit;
- A business entity (such as corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, or nonprofit entity); or
- An institution of higher education.

Student financial assistance, does not include:

- Financial support provided to the student in the form of a fee for services performed; (e.g., a work study or teaching fellowship that is not excluded under section 479B of the Higher Education Act HEA);
- Gifts, including gifts from family or friends; or

- Any amount of the scholarship or grant that, either by itself or in combination with assistance excluded under the HEA, exceeds the actual covered costs of the student.

Calculating Income from Student Financial Assistance [HOTMA Student Financial Assistance Resource Sheet; Notice PIH 2023-27]

The formula for calculating the amount of other student financial assistance that is excluded from income always begins with deducting the assistance received under 479B of the HEA from the total actual covered costs, because the 479B assistance is intended to pay the student's actual covered costs. When a student receives assistance from both Title IV of the HEA and from other sources, the assistance received under Title IV of the HEA must be applied to the student's actual covered costs first and then other student financial assistance is applied to any remaining actual covered costs. Once actual costs are covered, any remaining student financial assistance is considered income.

BHA Policy

If a student only receives financial assistance under Title IV of the HEA and does not receive any other student financial assistance, the BHA will exclude the full amount of the assistance received under Title IV from the family's annual income. The BHA will not calculate actual covered costs in this case.

If the student does not receive any assistance under Title IV of the HEA but does receive assistance from another source, the BHA will first calculate the actual covered costs to the student in accordance with 24 CFR 5.609. The BHA will then subtract the total amount of the student's financial assistance from the student's actual covered costs. The BHA will include any amount of financial assistance in excess of the student's actual covered costs in the family's annual income.

9.1.5 Periodic Payments

Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are not included in annual income. Regulations do not specify which types of periodic payments are included in annual income.

Income that has a discrete end date and will not be repeated beyond the coming year is excluded from a family's annual income because it is nonrecurring income. However, this does not include unemployment income and other types of periodic payments that are received at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that can be extended. For example, a family receives income from a guaranteed income program in their city that has a discrete beginning and end date. While the guaranteed income will be repeated in the coming year, it will end before the family's next annual reexamination. This income is fully excluded from annual income.

Insurance payments and settlements for personal or property losses, including but not limited to payments under health insurance, motor vehicle insurance, and workers' compensation, are excluded from annual income. However, periodic payments paid at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that are received in lieu of wages for workers' compensation are included in annual income. Payments received in lieu of wages for worker's compensation are excluded, even if paid in periodic payments, if the income will last for a period of less than one year.

BHA Policy

The BHA will include in annual income the full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.

Payments in lieu of earnings, such as unemployment and disability compensation, and severance pay are also counted as income if they are received in the form of periodic payments.

Lump-Sum Payments for the Delayed Start of a Periodic Payment [24 CFR 5.609(b) (16)]

Deferred periodic amounts from Supplemental Security Income (SSI) and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs (VA) disability benefits that are received in a lump sum amount or in prospective monthly amounts are excluded from annual income.

BHA Policy

The BHA will include in annual income lump sums received as a result of delays in processing periodic payments (other than those specifically excluded by the regulation), such as unemployment or welfare assistance.

When a delayed-start payment is received that is to be included and the family reports this during the period in which the BHA is processing an annual reexamination, the BHA will adjust the family's rent retroactively for the period the payment was intended to cover.

If the delayed-start payment is received outside of the time the BHA is processing an annual reexamination, then the BHA will consider whether the amount meets the threshold to conduct an interim reexamination. If so, the BHA will conduct an interim in accordance with BHA policies in Section 12. If not, the BHA will consider the amount when processing the family's next annual recertification.

Retirement Accounts [24 CFR 5.609(b)(26); Notice PIH 2023-27]

Income received from any account under a retirement plan recognized as such by the IRS, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals is not considered actual income from assets.

However, any distribution of periodic payments from such accounts is included in annual income at the time they are received by the family.

An asset moved to a retirement account held by a member of the family is not considered to be an asset disposed of for less than fair market value.

Social Security Benefits [Notice PIH 2018-24]

The BHA is required to use the gross benefit amount to calculate annual income from Social Security benefits.

Annually in October, the Social Security Administration (SSA) announces the cost-of-living adjustment (COLA) by which federal Social Security and SSI benefits are adjusted to reflect the increase, if any, in the cost of living. The federal COLA does not apply to state-paid disability benefits. Effective the day after the SSA has announced the COLA, PHAs are required to factor in the COLA when determining Social Security and SSI annual income for all annual reexaminations and interim reexaminations of family income that have not yet been completed and will be effective January 1 or later of the upcoming year [Notice PIH 2023-27]. When a family member's benefits are garnished, levied, or withheld to pay restitution, child support, tax debt, student loan debt, or other debts, the BHA must use the gross amount of the income, prior to the reduction, to determine a family's annual income.

BHA Policy

Annual income includes "all amounts received," not the amount that a family may be legally entitled to receive but which they do not receive. When the SSA overpays an individual, resulting in a withholding or deduction from their benefit amount until the overpayment is paid in full, the BHA will use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount.

Alimony and Child Support

Annual income includes "all amounts received," not the amount that a family may be legally entitled to receive but which they do not receive. For example, a family's child-support or alimony income must be based on payments received, not the amounts to which the family is entitled by court or agency orders [Notice PIH 2023-27].

BHA Policy

The BHA will count all regular payments of alimony or child support awarded as part of a divorce or separation agreement.

The BHA will count court-awarded amounts for alimony and child support unless the family certifies and the BHA verifies that the payments are not being made.

In order to verify that payments are not being made, the BHA will review child support payments over the last three months.

If payments are being made regularly, the BHA will use the amount received during the last 12 months (excluding any lump sums received). If payments have been made for a period less than 12 months, the BHA will average all payments that have been made.

At new admission or interim recertification, if any lump sum payments were made in the past 12 months, the BHA will determine the likelihood of the family receiving another similar payment within the next 12 months before deciding whether or not this amount will be included in the calculation of annual income.

If the BHA determines and can appropriately verify that the family in all likelihood will not receive a similar payment, then the amount will not be considered when projecting annual income.

If the BHA determines that it is likely that the family will receive a similar payment and can appropriately verify it, the amount will be included when projecting annual income.

If no payments have been made in the past three months and there are no lump sums, the BHA will not include alimony or child support in annual income

9.1.6 Nonrecurring Income [24 CFR 5.609(b)(24 and Notice PIH 2023- 27)]

Nonrecurring income, which is income that will not be repeated beyond the coming year (e.g., 12 months following the effective date of the certification) based on information provided by the family, is excluded from annual income. The BHA may accept a self-certification from the family stating that the income will not be repeated in the coming year. See Section 11 for BHA policies related to verification of nonrecurring income.

Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income as nonrecurring income, even if the source, date, or amount of the income varies.

Income that has a discrete end date and will not be repeated beyond the coming year during the family's upcoming annual reexamination period will be excluded from a family's annual income as nonrecurring income. This exclusion does not include unemployment income and other types of periodic payments that are received at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that can be extended.

Income amounts excluded under this category may include, but are not limited to:

- Nonrecurring payments made to the family or to a third party on behalf of the family to assist with utilities;
- Payments for eviction prevention;
- Security deposits to secure housing;
- Payments for participation in research studies (depending on the duration); and
- General one-time payments received by or on behalf of the family.

Nonrecurring income that is excluded under the regulations includes:

- Payments from the U.S. Census Bureau for employment (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not culminating in permanent employment [24 CFR 5.609(b)(24)(i)].
- Direct federal or state payments intended for economic stimulus or recovery [24 CFR 5.609(b)(24)(ii)].
- Amounts directly received by the family as a result of state refundable tax credits or state or federal tax refunds at the time they are received [24 CFR 5.609(b)(24)(iii) and (iv)].

- Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding gifts, baby showers, anniversaries) [24 CFR 5.609(b)(24)(v)].
- Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization [24 CFR 5.609(b)(24)(vi)]. When calculating annual income, PHAs are prohibited from assigning monetary value to non-monetary in-kind donations received by the family [Notice PIH 2023-27]. Non-recurring, non-monetary in-kind donations from friends and family are excluded as non-recurring income. However, the value of regular in kind donations from family and friends is included
- Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings [24 CFR 5.609(b)(24)(vii)].

9.1.7 Welfare Assistance

Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy Families (TANF) and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state, or local governments.

Sanctions Resulting in the Reduction of Welfare Benefits [24 CFR 5.615]

The BHA must make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The full text of the regulation at 24 CFR 5.615 is provided as Exhibit 9-3. The requirements are summarized below. This rule applies only if a family was receiving HCV assistance at the time the sanction was imposed.

Covered Families

The families covered by 24 CFR 5.615 are those “who receive welfare assistance or other public assistance benefits (‘welfare benefits’) from a State or other public agency (‘welfare agency’) under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance” [24 CFR 5.615(b)]

9.1.8 State Payments to Allow Individuals with Disabilities to Live at Home [24 CFR 5.609(b)(19)]

Payments made by or authorized by a state Medicaid agency (including through a managed care entity) or other state or federal agency to an assisted family to enable a member of the assisted family who has a disability to reside in the family’s assisted unit are excluded.

Authorized payments may include payments to a member of the assisted family through state Medicaid-managed care systems, other state agencies, federal agencies or other authorized entities.

The payments must be received for caregiving services a family member provides to enable another member of the assisted family who has a disability to reside in the family’s assisted unit.

Payments to a family member for caregiving services for someone who is not a member of the assisted family (such as for a relative that resides elsewhere) are not excluded from income.

Furthermore, if the agency is making payments for caregiving services to the family member for an assisted family member and for a person outside of the assisted family, only the payments attributable to the caregiving services for the caregiver's assisted family member would be excluded from income.

9.1.9 Civil Rights Settlements [24 CFR 5.609(b)(25); FR Notice 2/14/23]

Regardless of how the settlement or judgment is structured, civil rights settlements or judgments, including settlements or judgments for back pay, are excluded from annual income. This may include amounts received because of litigation or other actions, such as conciliation agreements, voluntary compliance agreements, consent orders, other forms of settlement agreements, or administrative or judicial orders under the Fair Housing Act, Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act (Section 504), the Americans with Disabilities Act, or any other civil rights or fair housing statute or requirement.

While these civil rights settlement or judgment amounts are excluded from income, the settlement or judgment amounts will generally be counted toward the family's net family assets (e.g., if the funds are deposited into the family's savings account or a revocable trust under the control of the family or some other asset that is not excluded from the definition of net family assets). Income generated on the settlement or judgment amount after it has become a net family asset is not excluded from income. For example, if the family received a settlement or back pay and deposited the money in an interest-bearing savings account, the interest from that account would be income at the time the interest is received.

Furthermore, if a civil rights settlement or judgment increases the family's net family assets such that they exceed \$50,000 (as annually adjusted by an inflationary factor), then income will be imputed on the net family assets pursuant to 24 CFR 5.609(a)(2). If the imputed income, which HUD considers unearned income, increases the family's annual adjusted income by 10 percent or more, then an interim reexamination of income will be required unless the addition to the family's net family assets occurs within the last three months of the family's income certification period and the BHA or owner chooses not to conduct the examination.

9.1.10 Additional Exclusions from Annual Income [24 CFR 5.609(b)]

Other exclusions contained in 24 CFR 5.609(b) that have not been discussed earlier in this chapter include the following:

- Payments received for the care of foster children or foster adults or state or tribal kinship or guardianship care payments [24 CFR 5.609(b)(4)].
- Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance, and workers' compensation [24 CFR 5.609(b)(5)]. However, periodic payments paid at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that are received in lieu of wages for workers' compensation are included in annual income [Notice PIH 2023-27].

- Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member [24 CFR 5.609(b)(6)].
- Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled [24 CFR 5.609(b)(7)].
- Income and distributions from any Coverdell education savings account under Section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under Section 529 of such Code [24 CFR 5.609(b)(10)].
- Income earned by government contributions to, and distributions from, “baby bond” accounts created, authorized, or funded by federal, state, or local government [24 CFR 5.609(b)(10)].
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(b)(11)].
- Payments related to aid and attendance under 38 U.S.C. 1521 to veterans in need of regular aid and attendance [24 CFR 5.609(b)(17)]. This income exclusion applies only to veterans in need of regular aid and attendance and not to other beneficiaries of the payments, such as a surviving spouse [Notice PIH 2023-27].
- Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g., proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car) [24 CFR 5.609(b)(20)]. The loan borrower or co-borrower must be a member of the family for this income exclusion to be applicable [Notice PIH 2023-27].
- Payments received by tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such payments are also excluded from gross income under the Internal Revenue Code or other federal law [24 CFR 5.609(b)(21)]. Generally, payments received by tribal members in excess of the first \$2,000 of per capita shares are included in a family’s annual income for purposes of determining eligibility. However, as explained in Notice PIH 2023-27, payments made under the Cobell Settlement, and certain per capita payments under the recent Tribal Trust Settlements, must be excluded from annual income in HUD programs that adopt the definitions of annual income in 24 CFR 5.609, the Census Long Form, and the IRS Form 1040, including the programs affected by Notice PIH 2023-27.
- Replacement housing “gap” payments made in accordance with 49 CFR Part 24 that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to another federally subsidized housing unit. Such replacement housing “gap” payments are not excluded from annual income if the increased cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing “gap” payments [24 CFR 5.609(b)(23)].

- Income earned on amounts placed in a family’s Family Self-Sufficiency account [24 CFR 5.609(b)(27)].
- Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred e.g., special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program [24 CFR 5.609(c)(12)(ii)].
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) [(24 CFR 5.609(b)(12)(i)].
- Amounts received under a resident service stipend not to exceed \$200 per month. A resident service stipend is a modest amount received by a resident for performing a service for the BHA or owner, on a part-time basis, that enhances the quality of life in the development [24 CFR 5.600(b)(12)(iii)].

Incremental earnings and benefits to any family member resulting from participation in qualifying training program funded by HUD or in qualifying federal, state, tribal, or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded from annual income. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the training program unless those amounts are excluded under 24 CFR 5.609(b)(9)(i) [24 CFR 5.609(b)(12)(iv)].

BHA Policy

The BHA defines training program as “a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual’s ability to obtain employment. It may have performance standards to measure proficiency. Training may include but is not limited to: (1) classroom training in a specific occupational skill, (2) on-the- job training with wages subsidized by the program, or (3) basic education” [expired Notice PIH 98-2, p. 3].

The BHA defines incremental earnings and benefits as the difference between (1) the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program and (2) the total amount of welfare assistance and earnings of the family member after enrollment in the program [expired Notice PIH 98-2, pp. 3–4].

In calculating the incremental difference, the BHA will use as the pre-enrollment income the total annualized amount of the family member’s welfare assistance and earnings reported on the family’s most recently completed HUD-50058.

End of participation in a training program must be reported in accordance with the BHA’s interim reporting requirements (see Section 12).

- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era [24 CFR 5.609(b)(13)].

- Adoption assistance payments for a child in excess of the amount of the dependent deduction per adopted child [24 CFR 5.609(b)(15)].
- Refunds or rebates on property taxes paid on the dwelling unit [24 CFR 5.609(b)(20)].
- Amounts that HUD is required by federal statute to exclude from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(b) apply. HUD will publish a notice in the Federal Register to identify the benefits that qualify for this exclusion. Updates will be published when necessary.

HUD publishes an updated list of these exclusions periodically. The most recent list of exclusions was published in the Federal Register on May 20, 2014. It includes:

- a. The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b))
- b. Benefits under Section 1780 of the School Lunch Act and Child Nutrition Act of 1966, including WIC
- c. Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
- d. Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c))
- e. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e)
- f. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f))
- g. Payments received under programs funded in whole or in part under the Workforce Investment Act of 1998 (29 U.S.C. 2931)
- h. Deferred disability benefits from the Department of Veterans Affairs, whether received as a lump sum or in monthly prospective amounts
- i. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04)
- j. Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b))
- k. A lump sum or periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the United States District Court case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010
- l. The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual

Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408)

- m. Benefits under the Indian Veterans Housing Opportunity Act of 2010 (only applies to Native American housing programs)
- n. Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
- o. Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.)
- p. Payments received under 38 U.S.C. 1833(c) to children of Vietnam veterans born with spinal bifida, children of women Vietnam veterans born with certain birth defects, and children of certain Korean service veterans born with spinal bifida
- q. Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721)
- r. The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q)
- s. Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j))
- t. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433)
- u. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965j, including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs, the exception found in § 237 of Public Law 109-249 applies and requires that the amount of financial assistance in excess of tuition and mandatory fees shall be considered income in accordance with the provisions codified at 24 CFR 5.609(b)(9), except for those persons with disabilities as defined by 42 U.S.C. 1437a(b)(3)(E) (Pub. L. 109-249) (See Section 6 for exceptions.)
- v. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
- w. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602)
- x. Any amounts in an "individual development account" as provided by the Assets for Independence Act, as amended in 2002

- y. Payments made from the proceeds of Indian tribal trust cases as described in Notice PIH 2013–30, "Exclusion from Income of Payments under Recent Tribal Trust Settlements" (25 U.S.C. 117b(a))
- z. Major disaster and emergency assistance received under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and comparable disaster assistance provided by states, local governments, and disaster assistance organizations
- aa. Distributions from an ABLE account, and actual or imputed interest on the ABLE account balance [See also Notice PIH 2019-09]

9.2 Assets:

Annual income includes all actual anticipated income from assets (unless otherwise excluded by the regulations) even if the asset itself is excluded from net family assets [Notice PIH 2023-27].

The regulation at 24 CFR 5.603(b)(3) provides a list of items that are excluded from the calculation of net family assets. Note, unlike previous versions of the regulations, the current regulations do not list types of assets that are included in annual income. Instead, HUD relies on the definition of items excluded from assets to provide the scope of what is included. Exhibit 9-2 provides the regulatory definition of net family assets.

Optional policies for family self-certification of assets are found in Section 12 Policies related to the asset limitation may be found in Section 11.

Income from assets is always anticipated, irrespective of the income examination type.

BHA Policy

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

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

9.2.1 Assets Disposed of For Less Than Fair Market Value [24 CFR 5.603(b)(2)]

PHAs must include the value of any business or family assets disposed of by an applicant or participant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application or reexamination, as applicable, in excess of the consideration received for the asset.

An asset moved to a retirement account held by a member of the family is not considered to be an asset disposed of for less than fair market value. [Notice PIH 2023-27].

Minimum Threshold

The PIH Guidebook permits the BHA to set a threshold below which assets disposed of for less than fair market value will not be counted [PIH 5.6 GB, p. 26].

BHA Policy

The BHA will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than \$5,000.

Separation or Divorce

The regulation also specifies that assets are not considered disposed of for less than fair market value if they are disposed of as part of a separation or divorce settlement and the applicant or tenant receives important consideration not measurable in dollar terms.

BHA Policy

All assets disposed of as part of a separation or divorce settlement will be considered assets for which important consideration not measurable in monetary terms has been received. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

Foreclosure or Bankruptcy

Assets are not considered disposed of for less than fair market value when the disposition is the result of a foreclosure or bankruptcy sale. Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets.

Asset Owned by a Business Entity

If a business entity (e.g., limited liability company or limited partnership) owns the asset, then the family's asset is their ownership stake in the business, not some portion of the business's assets. However, if the family holds the assets in their own name (e.g., they own one third of a restaurant) rather than in the name of a business entity, then the percentage value of the asset owned by the family is what is counted toward net family assets (e.g., one-third of the value of the restaurant) [Notice PIH 2023-27].

Family Declaration

BHA Policy

Families must sign a declaration form at initial certification and each annual recertification identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value. The BHA may verify the value of the

assets disposed of if other information available to the BHA does not appear to agree with the information reported by the family.

9.2.2 Asset Inclusions and Exclusions

Checking and Savings Accounts [Notice PIH 2023-27]

HUD considers bank accounts as non-necessary items of personal property. Whether or not non-necessary personal property is counted toward net family assets depends on the combined value of all of the family's assets.

- When the combined value of net family assets is greater than \$50,000, as adjusted by inflation, checking and/or savings accounts would be counted toward net family assets.
- When the combined value of all non-necessary personal property does not exceed \$50,000, as adjusted by inflation, all non-necessary personal property is excluded from net family assets. In this case, the value of the family's checking and/or savings accounts would not be considered when calculating net family assets. However, actual income from checking and savings accounts is always included in a family's annual income, regardless of the total value of net family assets or whether the asset itself is included or excluded from net family assets, unless that income is specifically excluded.

ABLE Accounts [24 CFR 5.609(b)(10); Notice PIH 2019-09]

An Achieving a Better Life Experience (ABLE) account is a type of tax-advantaged savings account that an eligible individual can use to pay for qualified disability expenses. Section 103 of the ABLE Act mandates that an individual's ABLE account (specifically, its account balance, contributions to the account, and distributions from the account) is excluded when determining the designated beneficiary's eligibility and continued occupancy under certain federal means-tested programs. The BHA must exclude the entire value of the individual's ABLE account from the household's assets. Distributions from the ABLE account are also not considered income. However, all wage income received, regardless of which account the money is paid to, is included as income.

Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds [24 CFR 5.603(b)(1)]

HUD considers financial investments such as stocks and bonds non-necessary items of personal property. Whether non-necessary personal property is counted toward net family assets depends on the combined value of all of the family's assets.

- When the combined value of net family assets is greater than \$50,000, as adjusted by inflation, financial investments such as stocks and bonds are considered part of net family assets. In this case, the value of the family's checking and/or savings accounts would be counted toward net family assets.
- When the combined value of all non-necessary personal property does not exceed \$50,000, as adjusted by inflation, all non-necessary personal property is excluded from net family assets. In this case, the value of the family's financial investments such as stocks and bonds would not be considered when calculating net family assets.

However, actual income from financial accounts is always included in a family's annual income, regardless of the total value of net family assets or whether the asset itself is included or excluded from net family assets, unless that income is specifically excluded. When a stock issues dividends in some years but not others (e.g., due to market performance), the dividend is counted as the actual return when it is issued, but when no dividend is issued, the actual return is \$0. When the stock never issues dividends, the actual return is \$0.

BHA Policy

The BHA will include interest or dividends earned by investment accounts as actual income from assets even when the earnings are reinvested.

The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

In determining the market value of an investment account, the BHA will use the value of the account on the most recent investment report

Necessary and Non-Necessary Personal Property [24 CFR 5.603(b)(3)(i)]

All assets are categorized as either real property (e.g., land, a home) or personal property.

Personal property includes tangible items, like boats, as well as intangible items, like bank accounts.

The value of necessary items of personal property is excluded from the calculation of net family assets. Necessary items of personal property include a car used for commuting or medical devices.

HUD defines necessary personal property as items essential to the family for the maintenance, use, and occupancy of the premises as a home; or they are necessary for employment, education, or health and wellness. Necessary personal property includes more than merely items that are indispensable to the bare existence of the family. It may include personal effects (such as items that are ordinarily worn or utilized by the individual), items that are convenient or useful to a reasonable existence, and items that support and facilitate daily life within the family's home. Necessary personal property also includes items that assist a household member with a disability, including any items related to disability-related needs, or that may be required for a reasonable accommodation for a person with a disability. Necessary personal property does not include bank accounts, other financial investments, or luxury items. Items of personal property that do not qualify as necessary personal property are classified as non-necessary personal property.

The combined value of all non-necessary items of personal property is only included in annual income when the combined total value exceeds \$50,000 (adjusted annually by HUD). When the combined value of all non-necessary personal property does not exceed \$50,000, as adjusted by inflation, all non-necessary personal property is excluded from net family assets.

While not an exhaustive list, the following table from Notice PIH 2023-27 provides examples of necessary and non-necessary personal property.

Necessary Personal Property	Non-Necessary Personal Property
<p>Car(s)/vehicle(s) that a family relies on for transportation for personal or business use (e.g., bike, motorcycle, skateboard, scooter)</p> <p>Furniture, carpets, linens, kitchenware</p> <p>Common appliances</p> <p>Common electronics (e.g., radio, television, DVD player, gaming system)</p> <p>Clothing</p> <p>Personal effects that are not luxury items (e.g., toys, books)</p> <p>Wedding and engagement rings</p> <p>Jewelry used in religious/cultural celebrations and ceremonies</p> <p>Religious and cultural items</p> <p>Medical equipment and supplies</p> <p>Health care–related supplies</p> <p>Musical instruments used by the family</p> <p>Personal computers, phones, tablets, and related equipment</p> <p>Professional tools of trade of the family, for example professional books</p> <p>Educational materials and equipment used by the family, including equipment to accommodate persons with disabilities</p> <p>Equipment used for exercising (e.g., treadmill, stationary bike, kayak, paddleboard, ski equipment)</p>	<p>Recreational car/vehicle not needed for day-to-day transportation for personal or business use (campers, motorhomes, traveling trailers, all-terrain vehicles (ATVs))</p> <p>Bank accounts or other financial investments (e.g., checking account, savings account, stocks/bonds)</p> <p>Recreational boat/watercraft</p> <p>Expensive jewelry without religious or cultural value, or which does not hold family significance</p> <p>Collectibles (e.g., coins/stamps)</p> <p>Equipment/machinery that is not used to generate income for a business</p> <p>Items such as gems/precious metals, antique cars, artwork, etc.</p>

BHA Policy

In determining the value of non-necessary personal property, the BHA will use the family’s estimate of the value. The BHA may obtain an appraisal if there is reason to believe that the family’s estimated value is off by \$50 or more. The family must cooperate with the appraiser but cannot be charged any costs related to the appraisal.

Lump-Sum Additions to Net Family Assets [24 CFR 5.609(b)(24(viii); Notice PIH 2023-27]

The regulations exclude income from lump-sum additions to family assets, including lottery or other contest winnings as a type of nonrecurring income.

In addition, lump sums from insurance payments, settlements for personal or property losses, and recoveries from civil actions or settlements based on claims of malpractice, negligence, or other breach of duty owed to a family member arising out of law that resulted in a member of the family becoming a family member with a disability are excluded from income.

Further, deferred periodic amounts from Supplemental Security Income (SSI) and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts are also excluded from income.

However, these amounts may count toward net family assets. The BHA must consider any actual or imputed returns from assets as income at the next applicable income examination. In the case where the lump sum addition to assets would lead to imputed income, which is unearned income, that increases the family's annual adjusted income by 10 percent or more, then the addition of the lump sum to the family's assets will trigger an immediate interim reexamination of income in accordance with Section 12. This reexamination of income must take place as soon as the lump sum is added to the family's net family assets unless the addition takes place in the last three months of family's income certification period and the BHA chooses not to conduct the examination.

For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see sections in this chapter.

BHA Policy

Any lump-sum receipts are only counted as assets if they are retained by a family in a form recognizable as an asset. [RHIIP FAQs]. For example, if the family receives a \$1,000 lump sum for lottery winnings, and the family immediately spends the entire amount, the lump sum will not be counted toward net family assets.

Jointly Owned Assets [Notice PIH 2023-27]

For assets owned jointly by the family and one or more individuals outside of the assisted family, the BHA must include the total value of the asset in the calculation of net family assets, unless:

- The asset is otherwise excluded;
- The family can demonstrate that the asset is inaccessible to them; or
- The family cannot dispose of any portion of the asset without the consent of another owner who refuses to comply.

If the family demonstrates that they can only access a portion of an asset, then only that portion's value is included in the calculation of net family assets for the family.

Any income from a jointly owned asset must be included in annual income, unless:

- The income is specifically excluded;
- The family demonstrates that they do not have access to the income from that asset; or

- The family only has access to a portion of the income from that asset.

If the family demonstrates that they can only access a portion of the income from an asset, then only that portion's value is included in the calculation of income from assets.

If an individual is a beneficiary who is entitled to access the account's funds only upon the death of the account's owner, and may not otherwise withdraw funds from an account, then the account is not an asset to the assisted family, and the family should provide proper documentation demonstrating that they are only a beneficiary on the account.

Trusts [24 CFR 5.609(b)(2) and 5.603(b)(4)]

A trust is a legal arrangement generally regulated by state law in which one party (the creator or grantor) transfers property to a second party (the trustee) who holds the property for the benefit of one or more third parties (the beneficiaries).

The following types of trust distributions are excluded from annual income:

- Distributions of the principal or corpus of the trust; and
- Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.

The basis for determining how to treat trusts relies on information about who has access to either the principal in the account or the income from the account. There are two types of trusts, revocable and irrevocable.

When the creator sets up an irrevocable trust, the creator has no access to the funds in the account. Irrevocable trusts not under the control of any member of the family or household are not assets. Typically, special needs trusts are considered irrevocable. The value of the trust is not included in net family assets, so long as the fund continues to be held in a trust that is not revocable by, or under the control of, any member of the family or household [24 CFR 5.603(b)(4)]. Where an irrevocable trust is excluded from net family assets, the BHA must not consider actual income earned by the trust (e.g., interest earned, rental income if property is held in the trust) for so long as the income from the trust is not distributed. If the value of the trust is not considered part of the family's net assets, then distributions from the trust are treated as follows:

- All distributions from the trust's principal are excluded from income.
- Distributions of income earned by the trust (i.e., interest, dividends, realized gains, or other earnings on the trust's principal), are included as income unless the distribution is used to pay for the health and medical expenses for a minor.

A revocable trust is a trust that the creator of the trust may amend or end (revoke). When there is a revocable trust, the creator has access to the funds in the trust account.

The value of revocable trusts that are not under the control of the family are excluded from net family assets. This happens when a member of the assisted family is the beneficiary of a revocable trust, but the grantor is not a member of the assisted family. In this case the beneficiary does not "own" the revocable trust, and the value of the trust is excluded from net family assets. For the revocable trust to be considered excluded from net family assets, no family or household member

may be the account's trustee. If this is the case, then distributions from the trust are treated as follows:

- All distributions from the trust's principal are excluded from income.
- Distributions of income earned by the trust (i.e., interest, dividends, realized gains, or other earnings on the trust's principal), are included as income unless the distribution is used to pay for the health and medical expenses for a minor.

Revocable trusts under the control of the family or household (e.g., the grantor is a member of the assisted family or household) are considered assets and must be included in net family assets.

If the value of the trust is considered part of the family's net assets, then distributions from the trust are not considered income to the family. The BHA must count all actual returns (e.g., interest earned) from the trust as income or, if the trust has no actual returns (e.g., if the trust is comprised of farmland that is not in use) and the total value of the combined net family assets exceeds \$50,000 (as that amount is updated for inflation), as imputed returns, as applicable.

Life Insurance [FR Notice 2/14/23 and Notice PIH 2023-27]

Net family assets do not include the value of term life insurance, which has no cash value to the individual before death.

The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets. The cash value is the surrender value. While the cash value of an insurance policy is considered an asset, the face value of any policy is not. If such a policy earns dividends or interest that the family could elect to receive, the amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

Tax Refunds [24 CFR 5.603(b)(3)(xi) and Notice PIH 2023-27]

All amounts received by a family in the form of federal tax refunds or refundable tax credits are excluded from a family's net family assets for a period of 12 months after receipt by the family.

At the time of an annual or interim reexamination of income, if the federal tax refund was received during the 12 months preceding the effective date of the reexamination, then the amount of the refund that was received by the family is subtracted from the total value of the account in which the federal tax refund or refundable tax credits were deposited. When the subtraction results in a negative number, then the balance of the asset is considered \$0.

If the tax refund or refundable tax credit is deposited into another excluded asset, such as a retirement account or a Coverdell Education Savings Account, then the deposit will have no effect on the balance of the asset (i.e., there is no need for the BHA to subtract the amount of the deposit from the value of the excluded asset).

Asset Exclusions [24 CFR 5.603(b)]

The following are excluded from the calculations of net family assets:

- The value of any account under a retirement plan recognized as such by the IRS, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals [24 CFR 5.603(b)(3)(iii)].
- The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located [24 CFR 5.603(b)(3)(iv)].
- Real property as used in this part has the same meaning as that provided under the law of the state in which the property is located [24 CFR 5.100].
- Examples of this include but are not limited to co-ownership situations (including situations where one owner is a victim of domestic violence), where one party cannot unilaterally sell the real property; property that is tied up in litigation; and inherited property in dispute [Notice PIH 2023-27].
- Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a family member being a person with a disability [24 CFR 5.603(b)(3)(v)];
- The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 [24 CFR 5.603(b)(3)(vi)];
- The value of any qualified tuition program under Section 529 of such Code [24 CFR 5.603(b)(3)(vi)];
- The value of any “baby bond” account created, authorized, or funded by federal, state, or local government [24 CFR 5.603(b)(3)(vi)];
- Interests in Indian trust land [24 CFR 5.603(b)(3)(vii)];
- Equity in a manufactured home where the family receives assistance under 24 CFR part 982 [24 CFR 5.603(b)(3)(viii)];
- Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR part 982 [24 CFR 5.603(b)(3)(ix)];
- Family Self-Sufficiency accounts [24 CFR 5.603(b)(3)(x)];
- Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family [24 CFR 5.603(b)(3)(xi)].
- The full amount of assets held in an irrevocable trust [Notice PIH 2023-27]; and

- The full amount of assets held in a revocable trust where a member of the family is the beneficiary, but the grantor/owner and trustee of the trust is not a member of the participant family or household [Notice PIH 2023-27].

9.2.3 Determining Income from Assets

In some cases, amounts that are excluded from net family assets may be included as annual income when disbursements are made to a family from an asset. In other cases, amounts are excluded from annual income as a lump-sum addition to net family assets, but those funds are then considered a net family asset if held in an account or other investment that is considered part of net family assets [Notice PIH 2023-27].

Net Family Assets

Net family assets are defined as the net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investment.

BHA Policy

Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions such as settlement costs and transfer taxes. [PIH 5.6 GB, p. 26].

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

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

The cash value of real property or other assets with negative equity would be considered \$0 for the purposes of calculating net family assets. Negative equity in real property or other investments does not prohibit the family from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets [Notice PIH 2023-27].

Actual Income from Assets

Income from assets must be included on the Form HUD-50058 regardless of the amount of income. Actual income from assets is always included in a family's annual income, regardless of the total value of net family assets or whether the asset itself is included or excluded from net family assets, unless that income is specifically excluded by 24 CFR 5.609(b).

Income or returns from assets are generally considered to be interest, dividend payments, and other actual income earned on the asset, and not the increase in market value of the asset. The increase in market value is relevant to the cash value of the asset for the purpose of determining total net family assets and imputing income.

The BHA may determine the net assets of a family based on a self-certification by the family that the net family assets do not exceed \$50,000 (adjusted annually by HUD), without taking additional steps to verify the accuracy of the declaration [24 CFR 5.618(b)]. Policies related to verification of assets are found in Chapter 8 of this policy.

BHA Policy

The BHA will not be using a self-certification under this rule.

The BHA may not calculate or include any imputed income from assets when net family assets total \$50,000 or less [24 CFR 5.609(b)(1)]. The actual income from assets must be included on the Form HUD-50058.

Imputed Income from Assets

When net family assets exceed \$50,000 (adjusted annually by HUD), the BHA may not rely on self-certification. If actual returns can be calculated, the BHA must include actual income from the asset on the Form HUD-50058 (for example, a savings account or CD where the rate of return is known). If actual returns cannot be calculated, the BHA must calculate imputed returns using the HUD-determined passbook rate (for example, real property or a non-necessary item of personal property such as a recreational boat). If the BHA can compute actual income from some but not all assets, the BHA must compute actual returns where possible and use the HUD-determined passbook rate for assets where actual income cannot be calculated [24 CFR 5.609(a)(2)].

An asset with an actual return of \$0 (such as a non-interest-bearing checking account), is not the same as an asset for which an actual return cannot be computed (such as non-necessary personal property). If the asset is a financial asset and there is no income generated (for example, a bank account with a zero percent interest rate or a stock that does not issue cash dividends), then the asset generates zero actual asset income, and imputed income is not calculated. When a stock issues dividends in some years but not others (e.g., due to market performance), the dividend is counted as the actual return when it is issued, and when no dividend is issued, the actual return is \$0. When the stock never issues dividends, the actual return is consistently \$0.

Asset Calculation

BHA Policy

The Authority will use current circumstances to determine the value of an asset and the anticipated income from the asset. Acceptable methods of verification include, in this order:

Checking and Savings Accounts: For regular checking accounts and savings accounts, *cash value* has the same meaning as *market value*. If a checking account does not bear interest, the anticipated income from the account is zero. In determining the value of a checking account, the Authority will use the average monthly balance for the last three months. In determining the value of a savings account, the Authority will use the current balance.

In determining the anticipated income from an interest-bearing checking or savings account, the Authority will multiply the value of the account by the current rate of interest paid.

- Account statements, passbooks, certificates of deposit, or The Authority verification forms completed by the financial institution.
- Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.
- IRS Form 1099 from the financial institution, provided that the Authority must adjust the information to project earnings expected for the next twelve (12) months.

Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds:

Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested. The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash. In determining the market value of an investment account, the Authority will use the value of the account on the most recent investment report.

How anticipated income from an investment account will be calculated depends on whether the rate of return is known. For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings). When the anticipated rate of return is not known (e.g., stocks), the Authority will calculate asset income based on the earnings for the most recent reporting period.

Interest Income from Mortgages or Other Capital Investments: The Authority will use:

- A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next twelve (12) months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
- Amortization schedule showing interest for the twelve (12) months following the effective date of the initial certification or annual re-certification.

Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset [PIH GB, p. 45].

In determining the equity, the Authority will use the assessed market value used to determine local tax purposes. The Authority will obtain market value by reviewing the local assessment roll of the owner's most recent property tax liability bill. The Authority will first use the payoff amount for the loan (mortgage) as the unpaid balance to calculate equity. If the payoff amount is not available, the Authority will use the basic loan balance information to deduct from the market value in the equity calculation.

Equity in real property and other capital investments is considered in the calculation of asset income except for the following types of assets:

- Equity accounts in HUD homeownership programs [24 CFR 5.603(b)]
- The value of a home currently being purchased with assistance under the HCV program Homeownership Option for the first 10 years after the purchase date of the home [24 CFR 5.603(b), Notice PIH 2012-3]

- Equity in owner-occupied cooperatives and manufactured homes in which the family lives [PIH GB, p. 45]
- Equity in real property when a family member's main occupation is real estate [PIH GB, p. 45]. This real estate is considered a business asset, and income related to this asset will be calculated.
- Interests in Indian Trust lands [24 CFR 5.603(b)]
- Real property and capital assets that are part of an active business or farming operation [PIH GB, p. 45]

The Authority must also deduct from the equity the reasonable costs for converting the asset to cash. Using the formula for calculating equity specified above, the net cash value of real property is the market value of the loan (mortgage) minus the expenses to convert to cash [Notice PIH 2012-3].

A family may have real property as an asset in two ways: (1) owning the property itself and (2) holding a mortgage or deed of trust on the property. In the case of a property owned by a family member, the anticipated asset income generally will be in the form of rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero.

In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income.

In the case of capital investments owned jointly with others not living in a family's unit, a prorated share of the property's cash value will be counted as an asset unless the Authority determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

Net Rental Income from Property Owned by Family: Verification includes the review of:

- IRS Form 1040 with Schedule E (Rental Income).
- Copies of latest rent receipts, leases, or other documentation of rent amounts.
- Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
- Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

9.3 Adjusted Income:

HUD regulations require the BHA to deduct from annual income any of five mandatory deductions for which a family qualifies and allow the BHA to deduct other permissive deductions in accordance with BHA policy. The resulting amount is the family's adjusted income. Mandatory deductions are found in 24 CFR 5.611.

Adjusted income means annual income (as determined under § 5.609) of the members of the family residing or intending to reside in the dwelling unit, after making the following deductions:

(a) *Mandatory deductions*

(1) \$480 for each dependent (adjusted annually by HUD, rounded to the next lowest multiple of \$25);

(2) \$525 for any elderly family or disabled family (adjusted annually by HUD, rounded to the next lowest multiple of \$25);

(3) The sum of the following, to the extent the sum exceeds ten percent of annual income:

(i) Unreimbursed health and medical care expenses of any elderly family or disabled family;

(ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed; and

(4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

This section covers policies related to these mandatory deductions. Verification requirements related to these deductions are found in Section 11.

Anticipating Expenses:

BHA Policy

Generally, the BHA will use current circumstances to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g., child care during school and non-school periods and cyclical medical expenses), the BHA will estimate costs based on historic data and known future costs.

When calculating health and medical care expenses, the BHA will include those expenses anticipated to be incurred during the 12 months following the certification date which are not covered by an outside source, such as insurance. The allowance is not intended to give a family an allowance equal to last year's expenses, but to anticipate regular ongoing and anticipated expenses during the coming year. Since these expenses are anticipated, the PH Occupancy Guidebook states "it is likely that actual expenses will not match what was anticipated. Typically, this would not be considered an underpayment as long as at the time of the annual reexamination, the expenses were calculated based on the appropriate verification" [PIH GB, p. 30]. For annual reexaminations, the BHA will use information for the previous 12-month period.

9.3.1 Dependent Deduction

An allowance of \$480 is deducted from annual income for each dependent (which amount will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next lowest multiple of \$25) [24 CFR 5.611(a)(1)]. Dependent is defined as any family member other than the head, spouse, or cohead who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents [24 CFR 5.603(b)].

9.3.2 Elderly or Disabled Family Deduction:

A single deduction of \$525 is taken for any elderly or disabled family (which amount will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next lowest multiple of \$25) [24 CFR 5.611(a)(2)].

An elderly family is a family whose head, spouse, cohead, or sole member is 62 years of age or older, and a disabled family is a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403].

9.3.3 Health and Medical Care Expenses Deduction [24 CFR 5.611(a)(3)(i) and 5.603(b)]:

Unreimbursed health and medical care expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed ten percent of annual income.

This deduction is permitted only for families in which the head, spouse, or cohead is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted.

Definition of Medical Expenses

HUD regulations define health and medical care expenses at 24 CFR 5.603(b) to mean “any costs incurred in the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which annual income is computed.” Medical insurance premiums continue to be eligible health and medical care expenses. Health and medical care expenses may be deducted from annual income only if they are eligible and not otherwise reimbursed and may only be deducted for elderly or disabled families.

Although HUD revised the definition of health and medical care expenses to reflect the Internal Revenue Service (IRS) general definition of medical expenses, HUD is not permitting PHAs to specifically align their policies with IRS Publication 502 for determining which expenses are included in HUD’s mandatory deduction for health and medical care expenses. PHAs must review each expense to determine whether it is eligible in accordance with HUD’s definition of *health and medical care expenses*.

Families That Qualify for Both Health and Medical and Disability Assistance Expenses:

BHA Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either a health and medical care or disability assistance expenses, the BHA will consider them health and medical care expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

9.3.4 Disability Assistance Expenses Deduction [24 CFR 5.603(b) and 24 CFR 5.611(a)(3)(ii)]

Unreimbursed reasonable expenses for attendant care and auxiliary apparatus for each member of the family who is a person with disabilities may be deducted if they: (1) are necessary to enable a family member 18 years or older to work, (2) are not paid to a family member or reimbursed by an outside source, (3) in combination with any medical expenses, exceed three percent of annual income, and (4) do not exceed the earned income received by the family member who is enabled to work.

Earned Income Limit on the Disability Assistance Expense Deduction

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work [24 CFR 5.603(b)].

The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense [24 CFR 5.611(a)(3)(ii)]. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

BHA Policy

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family’s request, the BHA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work.

When the BHA determines that the disability assistance expenses enable more than one family member to work, the expenses will be capped by the sum of the family members’ incomes.

Eligible Auxiliary Apparatus[Notice PIH 2023-27]

Auxiliary apparatus items may include expenses for wheelchairs, ramps, adaptations to vehicles, guide dogs, assistance animals, or special equipment to enable a person who is blind or has low vision to read or type or special equipment to assist a person who is deaf or hard of hearing.

Eligible Attendant Care [Notice PIH 2023-27]

Examples of attendant care expenses can include teaching a person with disabilities how to perform day-to-day tasks independently like cleaning, bathing, doing laundry, and cooking. Attendant care can be 24-hour care, or care during sporadic periods throughout the day. The family determines the type of attendant care that is appropriate for the person with disabilities.

BHA Policy

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal

services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

If the care attendant also provides other services to the family, the BHA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Payments to Family Members

No disability assistance expenses may be deducted for payments to a member of an assisted family [24 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the assisted family may be deducted if they are not reimbursed by an outside source.

Necessary and Reasonable Expenses

The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

BHA Policy

The BHA determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, the BHA will collect information from organizations that provide services and support to persons with disabilities. A family may present, and the BHA will consider, the family's justification for costs that exceed typical costs in the area.

Families That Qualify for Both Health and Medical and Disability Assistance Expenses

BHA Policy

This policy applies only to families in which the head or spouse is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either health and medical care or disability assistance expenses, the BHA will consider them health and medical care expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

9.3.5 Childcare Expense Deduction

HUD defines child care expenses at 24 CFR 5.603(b) as "amounts anticipated to be paid by the family for the care of children under 13 years of age (including foster children) during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect

reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.”

Clarifying the Meaning of Child for This Deduction

Child care expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family’s household. However, child care expenses for foster children that are living in the assisted family’s household are included when determining the family’s childcare expenses [PIH GB, p. 32].

Qualifying for the Deduction

Determining Who Is Enabled to Pursue an Eligible Activity

BHA Policy

The family must identify the family member(s) enabled to pursue an eligible activity. The term eligible activity in this section means any of the activities that may make the family eligible for a childcare deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family’s request, the BHA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

BHA Policy

If the childcare expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member’s efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member’s job search efforts are not commensurate with the child care expense being allowed by the BHA.

Furthering Education

BHA Policy

If the childcare expense being claimed is to enable a family member to further their education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the childcare claimed.

Being Gainfully Employed

BHA Policy

If the childcare expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member’s employment during the time that childcare

is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

Earned Income Limit on Child Care Expense Deduction

When a family member looks for work or furthers their education, there is no cap on the amount that may be deducted for childcare – although the care must still be necessary and reasonable. However, when childcare enables a family member to work, the deduction is capped by “the amount of employment income that is included in annual income” [24 CFR 5.603(b)].

The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

When the person who is enabled to work is a person with disabilities who receives the earned income disallowance (EID) or a full-time student whose earned income above \$480 is excluded, child care costs related to enabling a family member to work may not exceed the portion of the person’s earned income that actually is included in annual income. For example, if a family member who qualifies for the EID makes \$15,000 but because of the EID only \$5,000 is included in annual income, childcare expenses are limited to \$5,000.

The BHA must not limit the deduction to the least expensive type of childcare. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working [PIH GB, p. 32].

BHA Policy

When the childcare expense being claimed is to enable a family member to work, only one family member’s income will be considered for a given period of time. When more than one family member works during a given period, the BHA generally will limit allowable child care expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

Eligible Child Care Expenses

The type of care to be provided is determined by the assisted family. The BHA may not refuse to give a family the childcare expense deduction because there is an adult family member in the household that may be available to provide childcare.

Allowable Child Care Activities

BHA Policy

For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of childcare.

The costs of general housekeeping and personal services are not eligible. Likewise, childcare expenses paid to a family member who lives in the family’s unit are not eligible; however, payments for childcare to relatives who do not live in the unit are eligible.

If a childcare provider also renders other services to a family or childcare is used to enable a family member to conduct activities that are not eligible for consideration, the BHA will prorate the costs and allow only that portion of the expenses that is attributable to childcare for eligible activities.

9.3.6 Hardship Exemptions [24 CFR 5.611(c), (d), and (e)]

Health and Medical Care and Disability Assistance Expenses [24 CFR 5.611(c); Notice PIH 2023-27]

The regulations provide for two types of hardship exemption categories for families that qualify for unreimbursed health and medical care expenses and/or disability assistance expenses. A family will benefit from this hardship exemption only if the family has eligible expenses that can be deducted in excess of five percent of annual income. In order to claim unreimbursed health and medical care expenses, the family must have a head, cohead, or spouse that is elderly or a person with a disability. In order to claim unreimbursed reasonable attendant care and auxiliary apparatus expenses, the family must include a person with a disability, and the expenses must enable any member of the family (including the member who is a person with a disability) to be employed. Families may be eligible for relief under one of two categories; phased-in relief or general relief, as defined below.

Phased-In Relief

The first category is applicable to all families who received a deduction for unreimbursed health and medical care and/or reasonable attendant care or auxiliary apparatus expenses based on their most recent income review. The family must receive phased-in relief if they are determined to be eligible. These families will begin receiving a 24-month phased-in relief at their next annual or interim reexamination, whichever occurs first.

For these families, the threshold amount is phased-in as follows:

- The family is eligible for a deduction totaling the sum of expenses that exceeds 5 percent of annual income for the first 12 months.
- At the conclusion of 12 months, the family is eligible for a deduction totaling the sum of their expenses that exceed 7.5 percent of annual income for another 12 months.
- At the conclusion of 24 months, the standard threshold amount of 10 percent would be used, unless the family qualifies for relief under the general hardship relief category.
- When an eligible family's phased-in relief begins at an interim reexamination, the BHA will need to process another transaction one year later to move the family along to the next phase. The transaction can be either an interim reexamination if triggered, or a non-interim reexamination transaction.

Prior to the end of the 24-month period, the family may request a hardship exemption under the second category as described below. If the family is found eligible under the second category, the hardship exemption under the first category ends, and the family's hardship is administered in accordance with the requirements listed below. Once a family requests general relief, the family may no longer receive phased-in relief.

PHAs must track the 24-month phase-period for each eligible family, even if a family's expenses go below the appropriate phase-in percentage, during the first or second 12-month phase-in period. The phase-in must continue for families who move to another public housing unit at the same BHA. When the family is treated as a new admission under a different property/program (e.g., the family moves from public housing to the HCV program), unless the BHA has a written policy to continue the phased-in relief upon admission, the family's expense deduction will be calculated using the 10-percent threshold unless request for general relief is approved by the BHA. When a family moves with continued assistance or ports to a new BHA, the family must continue to receive the phased-in relief. The family must receive the remaining calendar months of the percentage phase-in. The BHA must use the existing phase-in documentation to determine the remaining calendar months and the percentage phase-in.

BHA Policy

The BHA will not continue the phased-in relief for families who move within housing assisted programs. These families will be treated as new admissions and the sum of expenses that exceeds 10 percent of annual income will be used to calculate their adjusted income.

General Relief

The second category is for families that can demonstrate:

- Their health and medical and/or disability assistance expenses increased (other than the transition to the higher threshold); or
- The family's financial hardship is a result of a change in circumstances (as defined in BHA policy) that would not otherwise trigger an interim reexamination.

The family may request a hardship exemption under the second category regardless of whether the family previously received the health and medical and/or disability assistance deductions or are currently or were previously receiving relief under the phased-in relief category above. HUD requires that PHAs develop policies defining what constitutes a hardship for purposes of this exemption.

The family may request a hardship exemption under the second category regardless of whether the family previously received the health and medical and/or disability assistance deductions or are currently or were previously receiving relief under the phased-in relief category above. HUD requires that PHAs develop policies defining what constitutes a hardship for purposes of this exemption.

The BHA must obtain third-party verification of the hardship or must document in the file the reason third-party verification was not available. PHAs must attempt to obtain third-party verification prior to the end of the 90-day hardship exemption period.

BHA Policy

To qualify for a hardship exemption, a family must submit a request in writing. The request must show that the family's health and medical and/or disability assistance expenses have increased (other than the transition to the higher threshold) and that the family's financial hardship is a result of a change in circumstances. The BHA defines a change in circumstances as a decrease in

income or increase in other expenses that has resulted in the family's financial hardship but does not, on its own, trigger an interim reexam in accordance with BHA policies.

Examples of circumstances constituting a financial hardship may include the following situations:

The family is awaiting an eligibility determination for a federal, state, or local assistance program, such as a determination for unemployment compensation or disability benefits;

The family's income decreased because of a loss of employment, death of a family member, or due to a natural or federal/state declared disaster; or

Other circumstances as determined by the BHA.

The family must provide third-party verification of the hardship with the request. If third-party verification is not available, the BHA will document the file with the reason and will attempt to obtain third-party verification prior to the end of the 90-day hardship exemption period.

The BHA must promptly notify the family in writing of the change in the determination of adjusted income and the family's rent resulting from hardship exemptions. The notice must inform the family of when the hardship exemption will begin and expire [24 CFR 5.611(e)(2)].

BHA Policy

The BHA will make a determination of whether the family qualifies within 30 calendar days and will notify the family in writing of the result within 10 business days of the determination.

If the BHA denies the hardship exemption request, the BHA notice will also state that if the family does not agree with the BHA determination, the family may request an informal hearing.

If the family qualifies for an exemption, the BHA will include the date the hardship exemption will begin and the date it will expire as well as information on how to request a 90-day extension based on family circumstances.

If the family qualifies, the family will receive a deduction for the sum of eligible expenses that exceed five percent of annual income.

The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable or after 90 days, whichever is earlier. However, the BHA may, at its discretion, extend the relief for one or more additional 90-day periods while the family's hardship condition continues. PHAs are not limited to a maximum number of 90-day extensions.

BHA has established written policies regarding the types of circumstances that will allow a family to qualify for a financial hardship and when such deductions may be eligible for additional 90-day extensions. PHAs must develop policies requiring families to report if the circumstances that made the family eligible for the hardship exemption are no longer applicable.

BHA Policy

The family may request an extension either orally or in writing prior to the end of the hardship exemption period. The BHA will extend relief for an additional 90-days if the family demonstrates to the BHA's satisfaction that the family continues to qualify for the hardship

exemption based on circumstances described above. The BHA will require updated verification based on the family's current circumstances. Additional extension(s) may be granted on a case-by-case basis provided the family continues to request extensions prior to the end of each hardship exemption period. Families must report if the circumstances that made the family eligible for the hardship exemption are no longer applicable. At any time, the BHA may terminate the hardship exemption if the BHA determines that the family no longer qualifies for the exemption.

Childcare Expense Hardship Exemption [24 CFR 5.611(d) and Notice PIH 2023-27]

A family whose eligibility for the childcare expense deduction is ending may request a financial hardship exemption to continue receiving the deduction. If the family demonstrates to the BHA's satisfaction that the family is unable to pay their rent because of the loss of the child care expense deduction, and that the child care expense is still necessary even though the family member is not working, looking for work, or seeking to further their education, the BHA must recalculate the family's adjusted income and continue the child care deduction.

The BHA has developed a policy to define what constitutes a hardship, which includes the family's inability to pay rent. The BHA must obtain third-party verification of the hardship or must document in the file the reason third-party verification was not available. PHAs must attempt to obtain third-party verification prior to the end of the 90-day hardship exemption period.

BHA Policy

For a family to qualify, they must demonstrate that their inability to pay rent would be as a result of the loss of this deduction. The BHA defines this hardship as a potential decrease in income or increase in other expenses that would result from the loss of the child care expense and such loss would impact the family's ability to pay their rent.

Some factors to consider when determining if the family is unable to pay rent may include determining that the rent and applicable expenses (child care expenses or health and medical expenses) are more than 40 percent of the family's adjusted income, or verifying whether the family has experienced unanticipated expenses, such as large medical bills, that have affected their ability to pay their rent.

The family must also demonstrate that the child care expense is still necessary even though the family member is no longer employed or furthering their education. The BHA will consider qualification under this criterion on a case-by case basis (for example, if the family member who was employed has left their job in order to provide uncompensated care to an elderly friend or family member who is severely ill and lives across town).

The family must provide third-party verification of the hardship with the request. If third-party verification is not available, the BHA will document the file with the reason and will attempt to obtain third-party verification prior to the end of the 90-day hardship exemption period.

The BHA must promptly notify the family in writing of the change in the determination of adjusted income and the family's rent resulting from hardship exemptions.

If the BHA denies the request, the notice must specifically state the reason for the denial. PHAs must provide families 30 days' notice of any increase in rent.

If the BHA approves the request, the notice must inform the family of when the hardship exemption will begin and expire [24 CFR 5.611(e)(2)]. The notice must also state the requirement for the family to report to the BHA if the circumstances that made the family eligible for relief are no longer applicable and that the family's adjusted income and tenant rent will be recalculated upon expiration of the hardship exemption [Notice PIH 2023-27].

BHA Policy

The BHA will make a determination of whether the family qualifies within 30 calendar days and will notify the family in writing of the result within 10 business days of the determination. If the BHA denies the hardship exemption request, the BHA notice will also state that if the family does not agree with the BHA determination, the family may request an informal hearing. If the family qualifies for an exemption, the BHA will include all required information listed above as well as information on how to request a 90-day extension based on family circumstances.

If the family qualifies, the hardship exemption and the resulting alternative adjusted income calculation must remain in place for a period of up to 90 days.

The BHA may, at its discretion, extend the hardship exemptions for additional 90-day periods based on family circumstances and as stated in BHA policies. PHAs are not limited to a maximum number of 90-day extensions. PHAs must develop policies requiring families to report if the circumstances that made the family eligible for the hardship exemption are no longer applicable.

PHAs must promptly notify families in writing if they are denied either an initial hardship exemption or an additional 90-day extension of the exemption. If the BHA denies the request, the notice must specifically state the reason for the denial.

PHAs must notify the family if the hardship exemption is no longer necessary and the hardship exemption will be terminated because the circumstances that made the family eligible for the exemption are no longer applicable. The notice must state the termination date and provide 30 days' notice of rent increase, if applicable.

BHA Policy

The family may request an extension either orally or in writing prior to the end of the hardship exemption period. The BHA will extend relief for an additional 90-days if the family demonstrates to the BHA's satisfaction that the family continues to qualify for the hardship exemption. The BHA will require updated verification based on the family's current circumstances. Additional extension may be granted on a case-by-case basis provided the family continues to request extensions prior to the end of each hardship exemption period. Families must report if the circumstances that made the family eligible for the hardship exemption are no longer applicable. At any time, the BHA may terminate the hardship exemption if the BHA determines that the family no longer qualifies for the exemption.

9.3.7 Permissive Deductions [24 CFR 5.611(b)(1)(ii)]

BHA Policy

The BHA has opted not to use permissive deductions.

9.4 Calculating Family Share and BHA Subsidy:

Overview of Rent and Subsidy Calculations

TTP Formula [24 CFR 5.628]

HUD regulations specify the formula for calculating the total tenant payment (TTP) for an assisted family. TTP is the highest of the following amounts, rounded to the nearest dollar:

- 30 percent of the family’s monthly adjusted income (adjusted income is defined in this Section 9)
- 10 percent of the family’s monthly gross income (annual income, as defined in divided by 12)
- The welfare rent (in as-paid states only)
- A minimum rent between of \$50 is established by the BHA

The BHA has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in this Section.

The amount that a family pays for rent (the family share) will never be less than the family’s TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.

Welfare Rent [24 CFR 5.628]

BHA Policy

Welfare rent does not apply in this locality.

9.4.1 Rent Calculation:

At the time of admission into the public housing program and each year during the recertification process, the family is given the choice of having their rent determined under the “Income-Based (Formula) Method” or having their rent set at the “Flat Rent” amount.

- a. Under the Income-Based Method. The Total Tenant Payment (rent) is the greatest of:
 - 30% of family monthly adjusted income
 - 10% of family monthly gross income
 - \$50.00 minimum monthly rent

Applicable utility allowance shall be subtracted from the established gross rent. If the allowances for tenant supplied utilities that are applicable to the family exceeds computed rent, the family will receive a credit from the Authority of the difference.

b. Flat Rent. Is established annually by HUD and must be set at no less than 80% of the applicable Fair Market Rent (“FMR”). The Authority’s Flat Rent amount is currently set at the FMR for each bedroom size. If a family is responsible to make utility payments directly to a utility provider, the Flat Rent amount must be adjusted downward using a utility allowance schedule to account for reasonable utility costs. However, currently utilities are included/paid for by the BHA.

c. Rent Choice. Tenants have the option to choose between paying the Income-Based rent or Flat Rent amount at annual recertification. If a family has chosen the Flat Rent amount and experiences a hardship, the tenant may decide to switch to the Income-Based rent.

9.5 Over Income Households:

Per the Housing Opportunity Through Modernization Act of 2016 (“HOTMA”), Public Law 114-201, 130 Stat. 782, 83 F.R. 35490, PIH-2019-11 and related amendments, after a family’s income has exceeded 120% of the area median income (“AMI”) (set by multiplying the very low-income level by a factor 2.4), for two (2) consecutive years (the “grace period”) either through an annual or interim recertification, the PHA must either terminate the family’s tenancy within six months or charge the family the alternative non-public housing rent (alternative rent). The alternative rent must equal the greater of: (1) the applicable Fair Market Rent (FMR); or (2) the amount of monthly subsidy provided for the unit. The per unit monthly subsidy includes amounts from the Operating and Capital Funds (24 CFR 960.102).

BHA Policy

BHA has adopted the policy to allow over income (OI) families to remain in a public housing unit as a non-public housing over-income (NPHOI) family. The alternative rent will equal the greater of: (1) the applicable Fair Market Rent (FMR); or (2) the amount of monthly subsidy provided for the unit.

- NPHOI families will sign an NPHOI lease as no longer public housing participant;
- NPHOI families may not participate in public housing resident councils or programs for low-income or public housing participants;
- NPHOI families cannot be subject to income reexaminations or be required to comply with Community Service Requirements.

BHA must provide in writing three (3) OI notices, informing the family that their income has exceeded the over-income limit for one (1) year and that if the income continues to exceed it for the next twelve (12) consecutive months, they have the option to stay in the unit as non-public over-income resident:

1. At the initial determination of OI status (1st notice)

2. Following the reexamination at the conclusion of the first twelve months of the grace period (2nd notice)
3. At the conclusion of the twenty-four-month grace period (3rd notice)

All notices will provide information on the family's right to a grievance hearing.

Falling below OI limit:

Once a previously over-income family has an income that is now below the over-income limit, determined during (an interim or regular reexamination) within the two-year grace period, they are no longer subject to these provisions and are entitled to a new two-year grace period if the income once again exceeds the over-income limit. The family will then remain a public housing program participant and return to regular income reexamination periods.

10.0 RENT POLICY

10.1 Rent Collection:

The rent is due in advance on the first of each month **and must be mailed to** the Authority's administrative office located at 549 Avenue A, Bayonne N.J. 07002. There are also two rent collection boxes located at the administrative office and at 21st street (maintenance office).

A late charge of \$25.00 will be imposed upon any tenant who fails to pay rent in full by the 5th business day of the month. This provision does not create a "grace period." The late fine is considered additional rent, due and payable immediately per the lease agreement. No partial payments will be accepted. Rent must be paid by check, money order or bank certified cashiers check only. A return check charge of \$30.00 will be assessed for checks returned due to insufficient funds. If this occurs two (2) times during the tenancy, the Authority will no longer accept personal checks.

10.2 Minimum Rent [24 CFR 5.630]:

BHA Policy

The minimum rent for this locality is \$50.

10.3 Hardship Exception – Overview:

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

HUD-Defined Financial Hardship

Financial hardship includes the following situations:

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

BHA Policy

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

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

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

BHA Policy

For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay the rent

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

BHA Policy

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

- (5) The family has experienced other circumstances determined by the BHA.

BHA Policy

The BHA has not established any additional hardship criteria.

Implementation of Hardship Exemption

Determination of Hardship

BHA Policy

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

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

Example: Impact of Minimum Rent Exemption			
Family Share – No Hardship		Family Share – With Hardship	
\$0	30% of monthly adjusted income	\$0	30% of monthly adjusted income
\$15	10% of monthly gross income	\$15	10% of monthly gross income
N/A	Welfare rent	N/A	Welfare rent
\$50	Minimum rent	\$50	Minimum rent
Minimum rent applies. TTP = \$50		Hardship exemption granted. TTP = \$15	

BHA Policy

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

The BHA will make the determination of hardship within 30 calendar days.

No Financial Hardship

BHA Policy

The BHA will require the family to repay the suspended amount within 30 calendar days of the BHA’s notice that a hardship exemption has not been granted.

Temporary Hardship

If the BHA determines that a qualifying financial hardship is temporary, the BHA must suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family’s request for a hardship exemption.

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

BHA Policy

The BHA will enter into a repayment agreement in accordance with the procedures found in Section 21 of this plan.

10.4 Proration of Assistance for “Mixed Families” [24 CFR 5.520]:

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

"Mixed" families that were participants on June 19, 1995, and that do not qualify for continued assistance must be offered prorated assistance. (See Chapter 12, "Re-certifications.") Applicant mixed families are entitled to prorated assistance. Families that become mixed after June 19, 1995 by addition of an ineligible member are entitled to prorated assistance.

11.0 VERIFICATION [24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230, Notice PIH 2023-27]:

The BHA must verify all information that is used to establish the family’s eligibility and level of assistance and is required to obtain written authorization from the family in order to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance.

The BHA must follow the verification guidance provided by HUD in Notice PIH 2023-27 and any subsequent guidance issued by HUD. This chapter summarizes those requirements and provides supplementary BHA policies.

Section 11.1 describes the general verification process. Section 11.2 provides more detailed requirements related to family information. Section 11.3 provides information on income and assets, and Section 11.4 covers mandatory deductions.

Verification policies, rules and procedures will be modified as needed to accommodate persons with disabilities. All information obtained through the verification process will be handled in accordance with the records management policies of the BHA.

11.1 General Verification Requirements:

11.1.1 Family Consent to Release of Information [24 CFR 982.516; 982.551; CFR 5.230; and Notice PIH 2023-27]

Consent Forms

The family must supply any information that the BHA or HUD determines is necessary to the administration of the program and must consent to BHA verification of that information [24 CFR 982.551]. All adult family members must sign consent forms as needed to collect information relevant to the family’s eligibility and level of assistance. While PHAs must use form HUD-9886, this form does not release all the information necessary to the administration of the program. The BHA may develop its own release forms to cover all other necessary information.

Form HUD-9886 [24 CFR 5.230(b)(1), b(2), (c)(4), and (c)(5)]; Notice PIH 2023-27

All adult applicants and participants sign form HUD-9886, Authorization for Release of Information. All adult family members (and the head and spouse/cohead, regardless of age) are required to sign the Form HUD-9886 at admission. Participants, prior to January 1, 2024, signed

and submitted Form HUD-9886 at each annual reexamination. HOTMA eliminated this requirement and instead required that the Form HUD-9886 be signed only once. On or after January 1, 2024 (regardless of the BHA's HOTMA compliance date), current program participants must sign and submit a new Form HUD-9886 at their next interim or annual reexamination. This form will only be signed once. Another Form HUD-9886 will not be submitted to the BHA except under the following circumstances:

- When any person 18 years or older becomes a member of the family;
- When a current member of the family turns 18; or
- As required by HUD or the BHA in administrative instructions.

The BHA has the discretion to establish policies around when family members must sign consent forms when they turn 18. PHAs must establish these policies stating when family members will be required to sign consent forms at intervals other than at reexamination.

BHA Policy

Family members turning 18 years of age between annual recertifications will be notified in writing that they are required to sign the required Consent to the Release of information Form HUD-9886 at the family's next annual reexamination.

The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the BHA may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members. Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA).

The BHA may obtain any financial record from any financial institution, as the terms financial record and financial institution are defined in the Right to Financial Privacy Act (12 U.S.C. 3401), whenever the BHA determines the record is needed to determine an applicant's or participant's eligibility for assistance or level of benefits [24 CFR 5.230(c)(4)].

The executed form will remain effective until the family is denied assistance, assistance is terminated, or the family provides written notification to the BHA to revoke consent.

Penalties for Failing to Consent [24 CFR 5.232]

If any family member who is required to sign a consent form fails to do so, the BHA must deny admission to applicants and terminate assistance of participants. The family may request an informal review (applicants) or informal hearing (participants) in accordance with BHA procedures.

However, this does not apply if the applicant, participant, or any member of their family, revokes their consent with respect to the ability of the BHA to access financial records from financial institutions, unless the BHA establishes a policy that revocation of consent to access financial records will result in denial of admission or termination of assistance [24 CFR 5.232(c)]. PHAs

may not process interim or annual reexaminations of income without the family's executed consent forms.

BHA Policy

The BHA has established a policy that revocation of consent to access financial records will result in denial of admission or termination of tenancy in accordance with BHA policy.

In order for a family to revoke their consent, the family must provide written notice to the BHA.

Within 10 business days of the date the family provides written notice, the BHA will send the family a notice acknowledging receipt of the request and explaining that revocation of consent will result in denial or termination of tenancy, as applicable.

11.1.2 Use of Other Programs' Income Determinations [24 CFR 5.609(c)(3) and Notice PIH 2023-27]:

PHAs may, but are not required to, determine a family's annual income, including income from assets, prior to the application of any deductions, based on income determinations made within the previous 12-month period, using income determinations from means-tested federal public assistance programs. PHAs are not required to accept or use determinations of income from other federal means-tested forms of assistance. If the BHA adopts a policy to accept this type of verification, the BHA must establish in policy when they will accept Safe Harbor income determinations and from which programs. PHAs must also create policies that outline the course of action when families present multiple verifications from the same or different acceptable Safe Harbor programs.

Means-tested federal public assistance programs include:

- Temporary Assistance for Needy Families (TANF) (42 U.S.C. 601, et seq.);
- Medicaid (42 U.S.C. 1396 et seq.);
- Supplemental Nutrition Assistance Program (SNAP) (42 U.S.C. 2011 et seq.);
- Earned Income Tax Credit (EITC) (26 U.S.C. 32);
- Low-Income Housing Credit (LIHTC) program (26 U.S.C. 42);
- Special Supplemental Nutrition Program for Woman, Infants, and Children (WIC) (42 U.S.C. 1786);
- Supplemental Security Income (SSI) (42 U.S.C. 1381 et seq.);
- Other programs administered by the HUD Secretary;
- Other means-tested forms of federal public assistance for which HUD has established a memorandum of understanding; and
- Other federal benefit determinations made in other forms of means-tested federal public assistance that the Secretary determines to have comparable reliability and announces through the *Federal Register*.

If the BHA elects to use the annual income determination from one of the above-listed forms of means-tested federal public assistance, then they must obtain the income information by means of a third-party verification. The third-party verification must state the family size, must be for the entire family, and must state the amount of the family's annual income. The annual income need not be broken down by family member or income type. Annual income includes income earned from assets, therefore when using Safe Harbor to verify a family's income, PHAs will

neither further inquire about a family's net family assets, nor about the income earned from those assets, except with respect to whether or not the family owns assets that exceed the asset limitation in 24 CFR 5.618. The Safe Harbor documentation will be considered acceptable if any of the following dates fall into the 12-month period prior to the receipt of the documentation by the BHA:

- Income determination effective date;
- Program administrator's signature date;
- Family's signature date;
- Report effective date; or
- Other report-specific dates that verify the income determination date.

The only information that PHAs are permitted to use to determine income under this method is the total income determination made by the federal means-tested program administrator. Other federal programs may provide additional information about income inclusions and exclusions in their award letters; however, these determinations and any other information must not be considered by the BHA. PHAs are not permitted to mix and match Safe Harbor income determinations and other income verifications.

If the BHA is unable to obtain Safe Harbor documentation or if the family disputes the other program's income determination, the BHA must calculate the family's annual income using traditional methods as outlined in Notice PIH 2023-27 and this chapter.

If the BHA uses a Safe Harbor determination to determine the family's income, the family is obligated to report changes in income that meet the BHA's reporting requirement and occur after the effective date of the transaction.

The amounts of unreimbursed reasonable attendant care expenses and child-care expenses deducted from a family's annual income, except for when a family is approved for a child-care expense hardship exemption, must still be capped by the amount earned by any family member who is enabled to work as a result of the expense. PHAs are therefore required to obtain third-party verification of the applicable employment income and cap the respective expense deductions accordingly.

BHA Policy

BHA has adopted a policy not to use Safe Harbor income determinations from other federal means-tested forms of assistance.

11.1.3 Streamlined Income Determinations [24 CFR 960.257(c); Notice PIH 2023-27]:

HUD permits PHAs to streamline the income determination process for family members with fixed sources of income. While third-party verification of all income sources must be obtained during the intake process and every three years thereafter, in the intervening years, the BHA may determine income from fixed sources by applying a verified cost of living adjustment (COLA) or other inflationary adjustment factor. Streamlining policies are optional. The BHA may, however, obtain third-party verification of all income, regardless of the source. Further, upon request of the family, the BHA must perform third-party verification of all income sources.

Fixed sources of income include Social Security and SSI benefits, pensions, annuities, disability or death benefits, and other sources of income subject to a COLA or rate of interest. The

determination of fixed income may be streamlined even if the family also receives income from other non-fixed sources.

Two streamlining options are available, depending upon the percentage of the family's income that is received from fixed sources.

When 90 percent or more of a family's unadjusted income is from fixed sources, the BHA may apply the inflationary adjustment factor to the family's fixed-income sources, provided that the family certifies both that 90 percent or more of their unadjusted income is fixed and that their sources of fixed income have not changed from the previous year. Sources of non-fixed income are not required to be adjusted and must not be adjusted by a COLA, but PHAs may choose to adjust sources of non-fixed income based on third-party verification. PHAs have the discretion to either adjust the non-fixed income or carry over the calculation of non-fixed income from the first year to years two and three.

When less than 90 percent of a family's unadjusted income consists of fixed income, PHAs may apply a COLA to each of the family's sources of fixed income. PHAs must determine all other income using standard verification requirements as outlined in Notice PIH 2023-27.

BHA Policy:

BHA will use a streamlined income determinations for all fixed sources of income where applicable.

If 90 percent or more of a family's unadjusted income is from fixed income sources:

The BHA will streamline the annual reexamination process by applying the verified inflationary adjustment factor to fixed-income sources.

The family will be required to sign a self-certification stating that 90 percent or more of their unadjusted income is fixed income and that their sources of fixed income have not changed from the previous year.

Third-party verification of non-fixed income will be obtained annually regardless of the percentage of family income received from fixed sources.

If the family's sources of fixed income have changed from the previous year, the BHA will obtain third-party verification of any new sources of fixed income.

When less than 90 percent of a family's unadjusted income consists of fixed income:

The BHA will apply a COLA to each of the family's sources of fixed income. All other income will be verified using third-party verification as outlined in Notice PIH 2023-27

In the following circumstances, regardless of the percentage of income received from fixed sources, the BHA will obtain third-party verification as outlined in Notice PIH 2023-27:

All assets regardless of the amount;

Of all deductions and allowances from annual income;

If a family member with a fixed source of income is added;

If verification of the COLA or rate of interest is not available;

During the intake process and at least once every three years thereafter.

11.1.4 Verification Hierarchy [Notice PIH 2023-27]

When the BHA does not use a streamlined determination of income or an income determination from a means-tested federal assistance program, HUD requires the BHA to obtain third-party verification of:

- Reported family annual income;
- The value of net family assets when the net value exceeds \$50,000 (as adjusted annually);
- Expenses related to deductions from annual income; and
- Other factors that affect the determination of adjusted income.

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

HUD developed a hierarchy that described verification documentation from most acceptable to least acceptable. The BHA must demonstrate efforts to obtain third party verification prior to accepting self-certification except instances when self-certification is explicitly allowed. In order of priority, the hierarchy is:

- Highest: Level 6: Up-front Income Verification (UIV) using HUD’s Enterprise Income Verification (EIV) system
- Highest: Level 5: Up-front Income Verification (UIV) using a non-EIV system
- High: Level 4:
 - Written third-party verification from the source, also known as “family-provided verification”
 - Or EIV plus self-certification
- Medium: Level 3: Written third-party verification form
- Medium: Level 2: Oral third-party verification
- Low: Level 1: Self-certification (not third-party verification)

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

File Documentation

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

LEVEL 5 AND 6 VERIFICATION: UP-FRONT INCOME VERIFICATION (UIV)

Up-front income verification (UIV) refers to the BHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits for a number of individuals. PHAs may use UIV sources before or during a family reexamination.

UIV will be used to the extent that these systems are available to the BHA.

There may be legitimate differences between the information provided by the family and UIV-generated information. If the family disputes the accuracy of UIV data, no adverse action can be taken until the BHA has independently verified the UIV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process of the BHA.

Upfront Income Verification Using HUD's Enterprise Income Verification (EIV) System (Mandatory)

PHAs must use HUD's EIV system in its entirety as a third-party source to verify tenant employment and income information during annual and streamlined reexaminations of family composition and income in accordance with 24 CFR 5.236 and Notice PIH 2023-27.

HUD's EIV system contains data showing earned income, unemployment benefits, social security benefits, and SSI benefits for participant families.

The income validation tool (IVT) in EIV provides projections of discrepant income for wages, unemployment compensation, and SSA benefits pursuant to HUD's data sharing agreements with other departments.

The following policies apply to the use of HUD's EIV system.

EIV Income and IVT Reports

PHAs are required to obtain an EIV Income and IVT report for each family any time the BHA conducts an annual reexamination. However, PHAs are not required to use the EIV Income and IVT reports:

- At annual reexamination if the BHA used Safe Harbor verification from another means-test federal assistance program to determine the family's income; or
- During any interim reexaminations.

The EIV Income and IVT Reports are also not available for program applicants at admission. When required to use the EIV Income Report, in order for the report to be considered current, the BHA must pull the report within 120 days of the effective date of the annual reexamination.

The EIV Income Report may be used to verify and calculate income at annual reexamination if the family self-certifies that the amount is accurate and representative of current income. The family must be provided with the information in EIV.

BHA Policy

The BHA will obtain EIV income and IVT reports for all annual reexaminations for all families on a monthly basis. The BHA will ensure that all EIV Income Reports are pulled within 120 days of the effective date of the annual reexamination.

Income and IVT reports will only be used for interim reexaminations as necessary. For example, EIV may be used to verify that families claiming zero income are not receiving income from any sources listed in EIV.

Income and IVT reports will be retained in participant files with the applicable annual documents or interim reexamination documents (if applicable) for the duration of the family's participation.

When the BHA determines through EIV reports and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 16.

New Hires Report [Notice PIH 2023-27]

The New Hires Report identifies participant families who have new employment within the last six months. The report is updated monthly.

PHAs must review this information at annual reexamination except when the PHA uses Safe Harbor verification from another means-tested federal assistance program to determine the family's income.

PHAs that do not require families to undergo interim reexaminations for earned income increases after an interim decrease are not required to review this report between a family's annual reexamination. If the BHA requires an interim for increases in earned income after an interim decrease, then the BHA must review the report quarterly after the family's interim decrease.

BHA Policy

In accordance with BHA policies in section 12, the BHA will process interim reexaminations for families who have increases in earned income.

No Income Reported by HHS or SSA Report

This report is a tool for PHAs to identify participants who passed the SSA identity test, but no income information was reported by either HHS or SSA records. This scenario does not mean that the participant does not have any income. PHAs obtain written, third-party verification of

any income reported by the participant. The BHA must identify in its policies and procedures when this report will be pulled [Notice PIH 2023-27].

BHA Policy

The BHA will generate the No Income Reported by HHS or SSA Report quarterly and will retain the report.

The BHA will re-verify the status of participants identified on the report quarterly. Based on the information provided by the family and in EIV, the BHA may require that family members provide verifications or sign release forms in order to obtain additional verification.

When the BHA determines through this report and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 16.

EIV Identity Verification Report

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

PHAs are required to use EIV's Identity Verification Report on a monthly basis to improve the availability of income information in EIV [Notice PIH 2023-27].

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

BHA Policy

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

The BHA will attempt to resolve discrepancies by obtaining appropriate documentation from the participant. When the BHA determines that discrepancies exist as a result of BHA errors such as spelling errors or incorrect birth dates, it will correct the errors promptly.

Deceased Tenants Reports [Notice PIH 2012-4 and Notice PIH 2023-27]

The Deceased Tenant Report identifies residents that have been reported by the SSA as deceased. The BHA is required to review the report at least quarterly.

BHA Policy

The BHA will review the Deceased Tenants Report on a monthly basis. When the Authority becomes aware of the death of a household member, whether by notification from another household member, a relative, a health official, police/fire representative, or by other means, the Authority is required to verify the death and perform the necessary administrative action (i.e. conduct an Interim Recertification or an End of Participation (EOP), or other administrative action). The Authority may accept a death certificate, an obituary published in the newspaper or

online, printed announcements or other documentation that identifies the household member and date of death.

Per Notice PIH-2010-50 and/or related amendments, the Authority must also confirm the death by generating the “Deceased Tenants Report” available in HUD’s EIV system at least monthly to identify families with deceased household members whose identity has been confirmed by the Social Security Administration (SSA) and take corrective action to ensure proper rent calculation and subsidy levels are maintained for the family.

Once verified, the Authority must perform an Interim Recertification to adjust the family size and/or income and rent calculation. If the deceased member was the sole tenant on the lease, an EOP must be performed, and the tenancy terminated. The information must be entered onto the form HUD 50058, and submitted to the Housing Information Portal (HIP).

Other EIV Reports [Notice PIH 2023-27]

The BHA is required to review the Multiple Subsidy Report at least quarterly and the Failed EIV Pre-Screening and Failed Verification (Failed SSA Identity Test) reports at least monthly.

Upfront Income Verification Using Non-HUD Systems

HUD encourages PHAs to utilize other upfront verification sources such as the Work Number and web-based state benefits systems.

BHA Policy

The BHA will inform all applicants and participants of its use of the following UIV resources. (State Wage Income Collection Agency (SWICA), Work number)

LEVEL 4 VERIFICATION [Notice PIH 2023-27]

HUD identifies two types of Level 4 verification: written-third party verification from the source and EIV + self-certification.

EIV + Self-Certification

EIV may be used as written third-party verification and may be used to calculate income if the family agrees with the information in EIV and self-certifies that the amount is accurate and representative of current income. This practice is known as EIV + self-certification. When calculating income using this method, the BHA may use its discretion to determine which method of calculation is reasonable: the last four quarters combined or an average of any number of quarters. The family must be provided with the information from EIV.

BHA Policy

At annual reexamination, if the BHA is unable to use a determination of income and if there are no reported changes to an income source, the BHA will use EIV + self-certification as verification of employment income, provided the family agrees with the amounts listed in EIV.

The BHA will use an average of the last two quarters of income listed in EIV to determine income from employment. The BHA will provide the family with the information in EIV. The family will be required to sign a self-certification stating that the amount listed in EIV is accurate and representative of current income. If the family disagrees with the amount in EIV, the amount is not reflective of current income, or if less than two quarters are available in EIV, the BHA will use written third-party verification from the source as outlined below.

The BHA will not use this method of verification at new admission since EIV is not available for applicant families or at interim reexamination since the income information in EIV is not current.

Written Third-Party Verification from the Source

Written, third-party verification from the source is also known as “tenant-provided verification.” In order to qualify as written-third party verification from the source, the documents must be original or authentic and (generally) dated within 120 days of the date received by the BHA. For fixed-income sources, a statement dated within the appropriate benefit year is acceptable documentation. Documents may be supplied by the family or received from a third-party source.

Examples of acceptable tenant-provided documents include, but are not limited to pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices. Income tax returns with corresponding official tax forms and schedules attached and including third-party receipt of transmission for income tax return filed (i.e., tax preparer’s transmittal receipt, summary of transmittal from online source, etc.) are an acceptable form of written, third-party verification.

The BHA is required to obtain, at minimum, two current and consecutive pay stubs when calculating income using third-party verification from the source. For new income sources or when two pay stubs are not available, the BHA should determine income based on the information from a traditional written, third-party verification form or the best available information.

When the family disputes EIV-reported employment income, the BHA uses written third-party verification.

When verification of assets is required, PHAs are required to obtain a minimum of one statement that reflects the current balance of banking/financial accounts.

BHA Policy

In general, the BHA will use third-party verification from the source in the following circumstances:

At annual reexamination when EIV + self-certification is not used;

For all new admissions; and

For all interim reexaminations.

In general, third-party documents provided by the family or the source must be dated within 120 days of the date received by the BHA. However, for fixed-income sources, a statement dated within the appropriate benefit year is acceptable documentation.

The BHA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible. If the BHA determines that third-party documents provided by the family are not acceptable, the BHA will request additional documentation from the family or will use a lower form of verification such as a written third-party verification form.

When verification of assets held by a banking or financial institution is required, the BHA will obtain 3 months consecutive worth of checking account statements and one statement that reflects the current balance of any other assets.

When pay stubs are used, the BHA will require the family to provide the two most current, consecutive pay stubs. At the BHA's discretion, if additional paystubs are needed due to the family's circumstances (e.g., sporadic income, fluctuating schedule, etc.), the BHA may request additional paystubs or a payroll record.

LEVEL 3 VERIFICATION: WRITTEN, THIRD-PARTY FORM [Notice PIH 2023 27]

This type of verification is a form developed by the BHA and used uniformly for all families when needed to collect information from a third-party source. This is known as "traditional third-party verification." PHAs send a BHA-developed form directly to the third-party source by mail, fax, or email and the source completes the form by hand (in writing or typeset).

The BHA may use this method when higher forms are unavailable or are rejected by the BHA or when the family is unable to provide acceptable verification. The BHA may skip this level of verification and may instead substitute oral third-party verification before moving to self-certification.

BHA Policy

Typically, the BHA will attempt to send written third-party verification forms to the verification source whenever higher forms of verification are unavailable.

However, on a case-by-case basis, the BHA may choose to obtain oral third-party verification without first attempting, and in lieu of, a written-third party verification form.

LEVEL 2: ORAL THIRD-PARTY VERIFICATION [Notice PIH 2023-27]

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

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

PHAs must document in the file the date and time of the telephone call or visit, the name of the person contacted, the telephone number, as well as the information confirmed. The BHA may skip this level of verification if they attempted written third-party verification via a form and the source did not respond and move directly to self-certification.

BHA Policy

In general, the BHA will attempt to obtain written third-party verification via a form from the verification source. If written third-party verification forms are not returned within 10 business days, the BHA will accept self-certification from the family without attempting to obtain oral third-party verification.

However, if the BHA chooses to obtain oral third-party verification, the BHA will document in the file the date and time of the telephone call or visit, the name of the person contacted and the telephone number, as well as the information confirmed

When Third-Party Verification is Not Required [Notice PIH 2023-27]

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

BHA Policy

If the family cannot provide original documents, the BHA will pay the service charge required to obtain third-party verification, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.

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

Primary Documents

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

Imputed Assets

HUD permits PHAs to accept a self-certification from a family as verification of assets disposed of for less than fair market value [PIH GB, p. 26].

BHA Policy

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

LEVEL 1: NON-THIRD-PARTY VERIFICATION TECHNIQUE: SELF-CERTIFICATION [Notice PIH 2023-27]

Non-third-party verification consists of a signed statement of reported income and/or expenses. This verification method should be used as a last resort when the BHA has not been successful in obtaining information via all other required verification techniques.

Self-certification, however, is an acceptable form of verification when:

- A source of income is fully excluded
- Net family assets total \$50,000 or less and the PHA has adopted a policy to accept self certification
- The family declares that they do not have any present ownership in any real property
- A family states that they have non-recurring income that will not be repeated in the coming year; and/or
- The BHA has adopted a policy to implement streamlined annual recertifications for fixed sources of income

When the BHA was required to obtain third-party verification but instead relies self-certification the family's file must be documented to explain why third-party verification was not available.

HUD does not require that a self-certification be notarized; however, HUD recommends including language on any self-certification to ensure the certifier understands the consequences of knowingly providing false information.

BHA Policy

When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to the BHA.

The BHA may require a family to certify that a family member does not receive a particular type of income or benefit.

The self-certification must be made in a format acceptable to the BHA and must be signed by the family member whose information or status is being verified.

All self-certifications will include the following language:

“I/We, the undersigned, certify under penalty of perjury that the information provided here is true and correct, to the best of my knowledge and recollection. WARNING: Anyone who knowingly submits a false claim or knowingly makes a false statement is subject to criminal and/or civil penalties, including confinement for up to five years, fines, and civil and administrative penalties (18 U.S.C. 287, 1001, 1010, 1012; 31 U.S.C. 3279, 3802).”

11.2 Verifying Family Information:

Verification of Legal Identity: In order to prevent Program abuse, the Authority will require applicants to furnish verification of legal identity for all family members. The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

- Certificate of Birth, naturalization papers
- Church issued baptismal certificate
- Current, valid NJ Driver's license (photo only)

- U.S. military discharge (DD 214)
- U.S. passport
- Company/agency Identification Card
- Department of Motor Vehicles Identification Card (photo only)
- Hospital records

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

- Certificate of Birth
- Adoption papers
- Custody agreement
- Health and Human Services ID
- School records

If none of these documents can be provided, a third party who knows the person may, at the Authority's discretion, provide verification.

Verification of Marital Status: Verification of marriage status is a marriage certificate. Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer. Verification of a separation may be a copy of court-ordered maintenance or other records.

Separation or Divorce: Certification by the head of household is normally sufficient verification. If the BHA has reasonable doubts about a separation or divorce, the BHA will require the family to provide documentation of the divorce or separation.

- A certified copy of a divorce decree, signed by a court officer, is required to document that a couple is divorced.
- A copy of a court-ordered maintenance or other court record is required to document a separation.
- If no court document is available, documentation from a community-based agency will be accepted.

Familial Relationships: Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification. The following verifications will always be required if applicable:

For verification of relationship:

- Official identification showing names or Birth Certificates
- Baptismal certificates
- Adoption papers

For verification of guardianship:

- Court-ordered assignment
- Verification from social services agency
- School records

Verification of Permanent Absence of Adult Member: If an adult member who was formerly a member of the household is reported permanently absent by the family, the Authority will consider any of the following as verification:

- Legal papers documenting a spouse instituted divorce or legal separation action.
- Order of protection/restraining order obtained by one family member against another.
- Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease/rental agreement, if available.
- Statements from other agencies, such as social services, or a written statement from the landlord or manager that the adult family member is no longer living at that location.
- If no other proof can be provided, the Authority may accept a self-certification from the family.
- If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.

Foster Children and Foster Adults: Third-party verification from the state or local government agency responsible for the placement of the individual with the family is required.

Verification of Change in Family Composition: The Authority may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or DMV records, and other sources.

Verification of Disability: Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)). A disability may also be verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker, using the HUD definition as the verification format. For family members claiming disability who do not receive disability benefits from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability. The knowledgeable professional will verify whether the family member does or does not meet the HUD definition.

Family Members Receiving SSA Disability Benefits: Verification of the receipt of disability benefits from the Social Security Administration (SSA) is sufficient verification of disability for the purpose of qualifying for waiting list preferences (if applicable) or certain income disallowances and deductions.

For family members claiming disability who receive disability benefits from the SSA, the BHA will attempt to obtain information about disability benefits through the HUD Enterprise Income verification (EIV) system. If documentation from HUD's EIV System is not available, the BHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member claiming disability status. If the family is unable to provide the document(s), the BHA will ask the family to request a benefit verification letter by either calling SSA at 1-800-772-1213, or by requesting it from www.ssa.gov. Once the applicant or participant receives the benefit verification letter they will be required to provide it to the BHA.

Family Members Not Receiving SSA Disability Benefits: Receipt of veteran's disability benefits, worker's compensation, or other non-SSA benefits based on the individual's claimed disability are not sufficient verification that the individual meets HUD's definition of disability in 24 CFR 5.403.

For family members claiming disability who do not receive disability benefits from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability. See the Eligibility chapter for the HUD definition of disability. The knowledgeable professional will verify whether the family member does or does not meet the HUD definition.

11.2.1 Citizenship or Eligible Immigration Status [24 CFR 5.508]

Overview

Housing assistance is not available to persons who are not citizens, nationals, or eligible immigrants. Prorated assistance is provided for "mixed families" containing both eligible and ineligible people. A detailed discussion of eligibility requirements is in the Eligibility section. This verifications section discusses HUD and BHA verification requirements related to citizenship status.

The family must provide a certification that identifies each family member as a U.S. citizen, a U.S. national, an eligible noncitizen or an ineligible noncitizen and submit the documents discussed below for each family member. Once eligibility to receive public housing assistance has been verified for an individual it need not be collected or verified again during continuously-assisted occupancy. [24 CFR 5.508(g)(5)]

U.S. Citizens and Nationals

HUD requires a declaration for each family member who claims to be a citizen or national. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

The BHA may request verification of the declaration by requiring presentation of a birth certificate, passport or other appropriate documentation.

BHA Policy

Family members who claim citizenship or national status will be required to provide one of the following: a birth certificate, naturalization paperwork, or USA passport.

Eligible Immigrants

Documents Required

All family members claiming eligible immigration status must declare their status in the same manner as U.S. citizens and nationals.

The documentation required for eligible noncitizens varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, age, and the date on which the family began receiving HUD-funded assistance. Exhibit 11-1 at the end of this section summarizes documents family members must provide.

BHA Verification [PIH GB, p. 9]

For family members age 62 or older who claim to be eligible immigrants, proof of age is required in the manner described in this chapter. No further verification of eligible immigration status is required.

For family members under the age of 62 who claim to be eligible immigrants, the BHA must verify immigration status with the United States Citizenship and Immigration Services (USCIS).

The BHA will follow all USCIS protocols for verification of eligible immigration status.

11.2.2 Verification of Student Status:

General Requirements: The BHA requires families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

The family reports full-time student status for an adult other than the head, spouse, or cohead.

The family reports child care expenses to enable a family member to further their education.

The family includes a student enrolled in an *institution of higher education*.

11.2.3 Social Security Numbers [24 CFR 5.216, Notice PIH 2023-27]:

The family must provide documentation of a valid Social Security number (SSN) for each member of the household, with the exception of individuals who do not contend eligible immigration status. Exemptions also include existing program participants who were at least 62 years of age as of January 31, 2010, and had not previously disclosed an SSN.

Note that an individual who previously declared to have eligible immigration status may not change their declaration for the purpose of avoiding compliance with the SSN disclosure and documentation requirements or penalties associated with noncompliance with these requirements. Nor may the head of household opt to remove a household member from the family composition for this purpose.

The BHA must accept the following documentation as acceptable evidence of the social security number:

- An original SSN card issued by the Social Security Administration (SSA)
- An original SSA-issued document, which contains the name and SSN of the individual
- An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual

While PHAs must attempt to gather third-party verification of SSNs prior to admission as listed above, PHAs also have the option of accepting a self-certification and a third-party document (such as a bank statement, utility or cell phone bill, or benefit letter) with the applicant's name printed on it to satisfy the SSN disclosure requirement if the BHA has exhausted all other attempts to

obtain the required documentation. If verifying an individual's SSN using this method, the BHA must document why the other SSN documentation was not available.

If the tenant's SSN becomes verified in EIV, then no further verification is required. If the tenant's SSN fails the SSA identity match, then the BHA must obtain a valid SSN card issued by the SSA or an original document issued by a federal or state government agency that contains the name of the individual and the SSN of the individual, along with other identifying information of the individual. The tenant's assistance must be terminated if they fail to provide the required documentation.

BHA Policy

The BHA will verify an individual's SSN in the situations described above using the method described above as a last resort when no other forms of verification of the individual's SSN are available.

The BHA may only reject documentation of an SSN provided by an applicant or tenant if the document is not an original document or if the original document has been altered, mutilated, is illegible, or appears to be forged.

BHA Policy

The BHA will explain to the applicant or tenant the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to the BHA within 90 days.

BHA Policy

The BHA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency. If the individual fails to comply with SSN disclosure and documentation requirements upon expiration of the provided time period, the BHA will terminate the individual's program participation.

If an applicant family includes a child under 6 years of age who joined the household within the 6 months prior to the date of voucher issuance, an otherwise eligible family may be admitted to the program and the family must provide documentation of the child's SSN within 90 days of the effective date of the initial HAP contract. A 90-day extension will be granted if the BHA determines that the tenant's failure to comply was due to unforeseen circumstances and was outside of the participant's control.

BHA Policy

The BHA will grant one additional 90-day extension if needed for reasons beyond the applicant's control, such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

When a participant requests to add a new household member who is at least 6 years of age, or who is under the age of 6 and has an SSN, the tenant must provide the complete and accurate SSN assigned to each new member at the time of reexamination or recertification, in addition to the

documentation required to verify it. The BHA may not add the new household member until such documentation is provided.

When a participant requests to add a new household member who is under the age of 6 and has not been assigned an SSN, the tenant must provide the SSN assigned to each new child and the required documentation within 90 calendar days of the child being added to the household. A 90-day extension will be granted if the BHA determines that the participant's failure to comply was due to unforeseen circumstances and was outside of the participant's control. During the period the BHA is awaiting documentation of the SSN, the child will be counted as part of the assisted household.

BHA Policy

The BHA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

Social security numbers must be verified only once during continuously assisted occupancy.

BHA Policy

The BHA will verify each disclosed SSN by:

Obtaining documentation from applicants and participants that is acceptable as evidence of social security numbers;

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

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

BHA Policy

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

11.2.4 Documentation of Age:

A birth certificate or other official record of birth is the preferred form of age verification for all family members. For elderly family members an original document that provides evidence of the receipt of social security retirement benefits is acceptable.

BHA Policy

The BHA will accept one of the following forms of verification (e.g., birth certificate, USA passport, residency card, or driver's license.)

Age must be verified only once during continuously assisted occupancy.

11.2.5 Family Relationships

Applicants and tenants are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in the Glossary chapter of this policy.

BHA Policy

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

11.3 Verifying Income and Assets:

Section 9 of this plan describes in detail the types of income that are included and excluded and how assets and income from assets are handled. Any income reported by the family must be verified. This part provides BHA policies that supplement the general verification procedures.

11.3.1 EARNED INCOME:

Tips

BHA Policy

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

Wages

BHA Policy

When the BHA requires third-party verification of wages, for wages other than tips, the family must provide originals of the two most current, consecutive pay stubs.

BUSINESS AND SELF EMPLOYMENT INCOME

The BHA must obtain written, third-party verification when the income type is not available in EIV. This includes income from self-employment.

BHA Policy

Business owners and self-employed persons will be required to provide:
Income tax returns with corresponding official tax forms and schedules attached and including third-party receipt of transmission for income tax return filed (i.e., tax preparer's transmittal receipt, summary of transmittal from online source, etc.).

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

For self-employed individuals who claim they do not to file tax returns, The BHA will obtain a completed copy of IRS Form 4506-T to verify that no return has been filed.

For those employed in “gig employment” (i.e., those in formal agreements with on-demand companies such as Uber, Lyft, or DoorDash), the BHA will provide a format for the individual to declare their income and expenses. The BHA will also review the printed statement of monthly income from the applicable app for all hours worked and pay received as well as the Schedule C of the individual’s tax return and the corresponding IRS Form 1099 or 1099k.

The BHA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations.

At any reexamination the BHA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed less than three (3) months, the BHA will accept the family member's certified estimate of income and schedule an interim reexamination in three (3) months. If the family member has been self-employed for three (3) to twelve (12) months the BHA will require the family to provide documentation of income and expenses for this period and use that information to project income.

11.3.2 PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS Social Security/SSI Benefits [Notice PIH 2023-27];

Verification requirements for Social Security (SS) and Supplemental Security Income (SSI) benefits differ for applicants and participants.

For applicants, since EIV does not contain SS or SSI benefit information, the BHA must ask applicants to provide a copy of their current SS and/or SSI benefit letter (dated within the last 120 calendar days) for each family member that receives SS and/or SSI benefits. If the family is unable to provide the document or documents, the BHA should help the applicant request a benefit verification letter from SSA’s website at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. The BHA must obtain the original benefit letter from the applicant, make a photocopy of the document for the file, and return the original to the family.

For tenants, the BHA must obtain information through the HUD EIV system and confirm with the tenant that the current listed benefit amount is correct.

- If the tenant agrees with the amount reported in EIV, the BHA must use the EIV-reported gross benefit amount to calculate annual income from Social Security. PHAs are required to use the EIV-reported SS and SSI benefit amounts when calculating income unless the tenant disputes the EIV-reported amount. For example, an SSA benefit letter may list the monthly benefit amount as \$450.80 and EIV displays the amount as \$450.00. The BHA must use the EIV-reported amount unless the tenant disputes the amount.

- If the tenant disputes the EIV-reported benefit amount, or if benefit information is not available in EIV, the BHA must request a current SSA benefit verification letter (dated within the last 120 calendar days) from each family member that receives SS and/or SSI benefits. If the family is unable to provide the document or documents, the BHA should help the tenant request a benefit verification letter from SSA's website at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. The BHA must obtain the original benefit letter from the tenant, make a photocopy of the document for the file, and return the original to the family.

Photocopies of social security checks or bank statements are not acceptable forms of verification for SS/SSI benefits.

11.3.3 ALIMONY OR CHILD SUPPORT [Notice PIH 2023-27]:

Annual income includes "all amounts received," not the amount that a family may be legally entitled to receive but which they do not receive. For example, a family's child support or alimony income must be based on payments received, not the amounts to which the family is entitled by court or agency orders. A copy of a court order or other written payment agreement alone may not be sufficient verification of amounts received by a family.

BHA Policy

The methods the BHA will use to verify alimony and child support payments differ depending on whether the family declares that it receives regular payments.

If the family declares that it receives regular payments, verification will be obtained in the following order of priority:

Documentation for the 3 months prior to BHA request

Third-party verification form from the state or local child support enforcement agency

Third-party verification form from the person paying the support
Family's self-certification of amount received

Note: Families are not required to undertake independent enforcement action.

11.3.4 Nonrecurring Income [Notice PIH 2023-27]:

Income that will not be repeated beyond the coming year (i.e., the 12 months following the effective date of the certification), based on information provided by the family, is considered nonrecurring income and is excluded from annual income. PHAs may accept a self-certification from the family stating that the income will not be repeated in the coming year.

BHA Policy

The BHA will accept self-certification from the family stating that income will not be repeated in the coming year. However, the BHA may choose, on a case-by-case basis, to require third-party verification that income sources will not be repeated in the coming year.

11.3.5 Assets and Income from Assets

Net Family Assets [24 CFR 5.603]

At admission and reexam, for families with net assets totaling \$50,000 or less (adjusted annually), the BHA may, but is not required to, accept the family's self-certification that the family's assets do not exceed \$50,000 without taking any additional steps to verify the accuracy of the declaration. The declaration must include the amount of income the family expects to receive from assets which must be included in the family's income. This includes declaring income from checking and savings accounts which, although excluded from the calculation of net family assets (because the combined value of non-necessary personal property does not exceed \$50,000), may generate asset income. PHAs must clarify during the self-certification process which assets are included/excluded from net family assets.

For PHAs that choose to accept self-certification, the PHA is required to obtain third-party verification of all assets, regardless of the amount, at least once every three years. PHAs who choose not to accept self-certifications of assets must verify all families' assets on an annual basis.

When net family assets have a total value over \$50,000, the BHA may not rely on the family's self-certification. Third-party verification of assets is required when net family assets exceed \$50,000, adjusted annually by HUD.

When verification of assets is required, PHAs are required to obtain a minimum of one statement that reflects the current balance of banking/financial accounts.

BHA Policy

The BHA has chosen not to accept self-certifications of assets. Therefore, all assets will be verified on an annual basis as follows:

BHA will obtain a minimum of three consecutive bank statements for checking account

BHA will obtain a minimum of one current financial statement for all other assets (e.g., savings, CDs, Money Market, Trust Accounts, etc.)

Any income the family expects to receive from assets will be included in the family's annual income.

In determining the anticipated income from an interest-bearing checking or savings account and when the rate of return is known, the BHA will multiply the current balance of the account by the current rate of interest paid on the account. If a checking account does not bear interest, the anticipated income from the account is zero.

Self-Certification of Real Property Ownership [24 CFR 5.618(b)(2)]

The BHA must determine whether a family has present ownership in real property that is suitable for occupancy for purposes of determining whether the family is compliant with the asset limitation described in Chapter 16. At admission and reexam, the BHA may accept a self-certification from the family that the family does not have any present ownership in any real

property that is suitable for occupancy. If the family declares they have present ownership in real property, the BHA must obtain third-party verification.

BHA Policy

Both at admission and reexam, the BHA will accept self-certification from the family that the family does not have any present ownership in any real property. The certification will state that the family does not have any present ownership interest in any real property and must be signed by all family members 18 years of age and older. The BHA reserves the right to require additional verification in situations where the accuracy of the declaration is in question.

If the family declares they have a present ownership in real property, the BHA will obtain third-party verification of the following factors: whether the family has the legal right to reside in the property; whether the family has effective legal authority to sell the property; and whether the property is suitable for occupancy by the family as a residence. However, in cases where a family member is a victim of domestic violence, dating violence, sexual assault, or stalking, the BHA will comply with confidentiality requirements under 24 CFR 5.2007 and will accept a self-certification.

ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

The Authority must count assets disposed of for less than Fair Market Value during the years (2) preceding certification or reexamination. The Authority will count the difference between the market value and the actual payment received in calculating total assets. Assets disposed of as a result of foreclosure or bankruptcies are not considered to be assets disposed of for less than Fair Market Value. Assets disposed of as a result of a divorce or separation is also not considered to be assets disposed of for less than Fair Market Value. The Authority's minimum threshold for counting assets disposed of for less than Fair Market Value is \$5,000. If the total value of assets disposed of within a one-year period is less than \$5,000, they will not be considered an asset

BHA Policy

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

The BHA will verify the value of assets disposed of only if:

The BHA does not already have a reasonable estimation of its value from previously collected information, or

The amount reported by the family in the certification appears obviously in error.

NET INCOME FROM RENTAL PROPERTY

BHA Policy

The family must provide:

A current executed lease for the property that shows the rental amount or certification from the current tenant

A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income).

If schedule E was not prepared, the BHA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

FEDERAL TAX REFUNDS OR REFUNDABLE TAX CREDITS [Notice PIH 2023-27]

PHAs are not required to verify the amount of the family's federal tax refund or refundable tax credit(s) if the family's net assets are equal to or below \$50,000 (adjusted annually for inflation), even in years when full verification of assets is required or if the BHA does not accept self-certification of assets. PHAs must verify the amount of the family's federal tax refund or refundable tax credits if the family's net assets are greater than \$50,000.

RETIREMENT ACCOUNTS

BHA Policy

The BHA will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken, and any regular payments.

11.3.6 Income from Excluded Sources [Notice PIH 2023-27]:

A detailed discussion of excluded income is provided in Section 9.

HUD guidance on verification of excluded income draws a distinction between income which is fully excluded and income which is only partially excluded.

For fully excluded income, the BHA is not required to document why third-party verification is not available, or report the income on the 50058. Fully excluded income is defined as income where the entire amount qualifies to be excluded from the annual income determination in accordance with 24 CFR 5.609(b) and any Federal Register notice on mandatory exclusions issued by HUD (for example, food stamps, earned income of a minor, or foster care funds).

PHAs may accept a family's signed application or reexamination form as self-certification of fully excluded income. They do not have to require additional documentation. However, if there is any

doubt that a source of income qualifies for full exclusion, PHAs have the option of requiring additional verification.

For partially excluded income, the BHA is required to follow the verification hierarchy and all applicable regulations, and to report the income on the 50058. Partially excluded income is defined as income where only a certain portion of what is reported by the family qualifies to be excluded and the remainder is included in annual income (for example, the income of an adult full-time student).

BHA Policy

The BHA will accept the family's self-certification as verification of fully excluded income. The BHA may request additional documentation if necessary to document the income source.

The BHA will verify the source and amount of partially excluded income as described in this chapter.

11.3.7 Zero Income Status Reviews [Notice PIH 2023-27]

A *zero income review* is an assessment, sometimes periodic, performed by the BHA of the income of a family who claims that they do not receive income from any source, including from assets. During such reviews, it is common for PHAs to request that families complete and sign a worksheet explaining how they pay for the household's expenses. HUD does not require PHAs to conduct periodic zero income reviews. In calculating annual income, PHAs must not assign monetary value to nonmonetary in-kind donations from a food bank or similar organization received by the family [24 CFR § 5.609(b)(24)(vi)]. PHAs that perform zero income reviews must update local discretionary policies, procedures, and forms. Families who begin receiving income which does not trigger an interim reexamination should no longer be considered zero income even though the family's income is not reflected on the Form HUD-50058.

BHA Policy

The BHA will check UIV sources and/or may request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, SS, SSI, earned income, child support, etc. are not being received by families claiming to have zero annual income.

The BHA will also require that each family member who claims zero income status complete a revised zero-income form that will meet the requirements. If any sources of income are identified on the form, the BHA will verify the income in accordance with the policies in this chapter prior to including the income in the family's annual income.

The BHA will only conduct interims in accordance with BHA policy in Section 13.

11.3.8 Student Financial Assistance [24 CFR 5.609(b)(9)]

The regulations under HOTMA distinguish between two categories of student financial assistance paid to both full-time and part-time students. Any assistance to students under section 479B of the Higher Education Act of 1965 (Title IV of the HEA) must be excluded from the family's annual income [24 CFR 5.609(b)(9)(i)]. Any other grant-in-aid, scholarship, or other assistance amounts

an individual receives for the actual covered costs charged by the institute of higher education not otherwise excluded by the federally mandated income exclusions are excluded [24 CFR 5.609(b)(9)(ii)].

BHA Policy

The BHA will request written third-party verification of both the source and the amount of student financial assistance. Family-provided documents from the educational institution attended by the student will be requested, as well as documents generated by any other person or entity providing such assistance, as reported by the student.

In addition, unless the student's only source of assistance is assistance under Title IV of the HEA, the BHA will request written verification of the cost of the student's tuition, books, supplies, room and board, and other required fees and charges to the student from the educational institution.

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

11.4 Verifying Mandatory Deductions

11.4.1 Dependent and Elderly/Disabled Household Deductions:

The dependent and elderly/disabled family deductions require only that the BHA verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

Dependent Deduction

See Section 9 for a full discussion of this deduction. The BHA must verify that:

- Any person under the age of 18 for whom the dependent deduction is claimed is not the head, spouse, or cohead of the family and is not a foster child
- Any person age 18 or older for whom the dependent deduction is claimed is not a foster adult or live-in aide, and is a person with a disability or a full time student

Elderly/Disabled Family Deduction

See Eligibility chapter for a definition of elderly and disabled families and Section 9 for a discussion of the deduction. The BHA must verify that the head, spouse, or cohead is 62 years of age or older or a person with disabilities.

HEALTH AND MEDICAL CARE EXPENSE DEDUCTION

Policies related to medical expenses are found in Section 9. The amount of the deduction will be verified following the standard verification procedures described in this chapter.

The BHA must comply with the Health Insurance Portability and Accountability Act (HIPAA) (Pub. L. 104-191, 110 Stat. 1936) and the Privacy Act of 1974 (Pub. L. 93-579, 88 Stat. 1896) when requesting documentation to determine unreimbursed health and medical care expenses. The BHA may not request documentation beyond what is sufficient to determine anticipated health and

medical care costs. Before placing bills and documentation in the tenant file, the BHA must redact all personally identifiable information [FR Notice 2/14/23].

Amount of Expense

BHA Policy

Medical expenses will be verified through:

Written third-party documents provided by the family, such as pharmacy printouts or receipts.

When income is projected at new admission or interim, the BHA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The BHA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

Written third-party verification forms, if the family is unable to provide acceptable documentation.

When income is projected at new admission or interim, if third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 12 months.

Before placing bills and documentation in the tenant file, the BHA will redact all personally identifiable information.

If the BHA receives documentation from a verification source that contains the individual's specific diagnosis, information regarding the individual's treatment, and/or information regarding the nature or severity of the person's disability, the BHA will immediately dispose of this confidential information; this information will never be maintained in the individual's file. If the information needs to be disposed of, the BHA will note in the individual's file that verification was received, the date received, and the name and address of the person/organization that provided the verification. Under no circumstances will BHA include an applicant's or resident's medical records in the file [Notice PIH 2010-26].

In addition, the BHA must verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified health and medical care expenses.
- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

Eligible Household

The health and medical care expense deduction is permitted only for households in which the head, spouse, or cohead is at least 62, or a person with disabilities. The BHA must verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter and as described in Section 2 of this plan.

Qualified Expenses

To be eligible for the health and medical care expenses deduction, the costs must qualify as medical expenses. See Section 9 for the BHA's policy on what counts as a medical expense.

Unreimbursed Expenses

The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source. If expenses are verified through a third party, the third party must certify that the expenses are not paid or reimbursed from any other source.

Expenses Incurred in Past Years

At new admission and interim reexam, when anticipated costs are related to on-going payment of medical bills incurred in past years, the BHA will verify:

The anticipated repayment schedule

The amounts paid in the past, and

Whether the amounts to be repaid have been deducted from the family's annual income in past years

11.4.2 Disability Assistance Expenses:

The BHA must comply with the Health Insurance Portability and Accountability Act (HIPAA) (Pub. L. 104-191, 110 Stat. 1936) and the Privacy Act of 1974 (Pub. L. 93-579, 88 Stat. 1896) when requesting documentation to determine unreimbursed auxiliary apparatus or attendance care costs. The BHA may not request documentation beyond what is sufficient to determine anticipated reasonable attendant care and auxiliary apparatus costs. Before placing bills and documentation in the tenant file, the BHA must redact all personally identifiable information [FR Notice 2/14/23].

Amount of Expense

Attendant Care

BHA Policy

Expenses for attendant care will be verified through:

Written third-party documents provided by the family, such as receipts or cancelled checks.

Third-party verification form signed by the provider, if family-provided documents are not available.

When income is projected at new admission or interim, if third-party verification is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

Before placing bills and documentation in the tenant file, the BHA will redact all personally identifiable information.

If the BHA receives documentation from a verification source that contains the individual's specific diagnosis, information regarding the individual's treatment, and/or information regarding the nature or severity of the person's disability, the BHA will immediately dispose of this confidential information; this information will never be maintained in the individual's file. If the information needs to be disposed of,

the BHA will note in the individual's file that verification was received, the date received, and the name and address of the person/organization that provided the verification. Under no circumstances will BHA include an applicant's or resident's medical records in the file [Notice PIH 2010-26].

Auxiliary Apparatus

BHA Policy

Expenses for auxiliary apparatus will be verified through:

Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification of estimated apparatus costs for the upcoming 12 months.

In addition, the BHA must verify that:

- The family member for whom the expense is incurred is a person with disabilities
- The expense permits a family member, or members, to work
- The expense is not reimbursed from another source

11.4.3 Child Care Expenses:

Policies related to child care expenses are found in Section 9. The amount of the deduction will be verified following the standard verification procedures in this chapter. In addition, the BHA must verify that:

- The child is eligible for care (12 or younger).
- The costs claimed are not reimbursed.
- The costs enable a family member to work, actively seek work, or further their education.
- The costs are for an allowable type of child care.
- The costs are reasonable.

Eligible Child

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. The BHA will verify that the child being cared for (including foster children) is under the age of 13

Unreimbursed Expense

To be eligible for the child care deduction, the costs must not be reimbursed by another source.

BHA Policy

The family (and the care provider) will be required to certify that the child care expenses are not paid or reimbursed to the family from any source.

12.0. RECERTIFICATIONS

Introduction

The BHA is required to reexamine each family's income and composition at least annually, and to adjust the family's level of assistance accordingly. Interim reexaminations are also needed in certain situations. This chapter discusses both annual and interim reexaminations, and the recalculation of family share and subsidy that occurs as a result. HUD regulations and BHA policies concerning reexaminations are presented in three sections:

1. Annual Reexaminations. This section discusses the process for conducting annual reexaminations.
2. Interim Reexaminations. This section details the requirements for families to report changes in family income and composition between annual reexaminations.

3. Non-Interim Reexamination Transaction. This section describes transactions that do not entail changes to the family's adjusted income.

Policies governing reasonable accommodation, family privacy, required family cooperation, and program abuse, as described elsewhere in this plan, apply to both annual and interim reexaminations.

Under the Income-Based rent option, the income and status of the family composition will be re-examined, at least, once a year. **Failure to supply such information, when requested, is a serious violation of the terms of the lease which may result in the Authority terminating the tenancy.** All information must be verified. The tenant agrees to comply with the Authority's requests for information and verification by signing releases for third-party sources, presenting documents for review or providing other suitable forms of documentation. The Authority shall give the tenant reasonable notice of what actions the tenant must take and of the date by which any such action must be taken for compliance under this Section.

The information will be used by the Authority to decide whether the amount of the rent should be changed and whether the dwelling size is still appropriate for the tenant's needs. The determination will be made in accordance with the approved "Schedule of Rents & Statements of Income and Occupancy Limits", available in the Administrative Office of the Authority. Tenants acknowledge that apartment size is determined by the number of people in the household. If a tenant's needs require a different size unit, the tenant agrees to move when the Authority makes such a unit available within fourteen (14) calendar days from the date of notice. Failure to accept an alternative apartment shall be grounds for termination of tenancy and eviction.

12.1 Annual Reexaminations [24 CFR 982.516]:

The BHA must conduct a reexamination of family income and composition at least annually. This includes gathering and verifying current information about family composition, income, and expenses. Based on this updated information, the family's income and rent must be recalculated. This section discusses the schedule for annual reexaminations, the information to be collected and verified, and annual reexamination effective dates.

Unlike when performing an interim reexamination or at intake, at annual reexamination, the BHA must determine the income of the family for the previous 12-month period, except where the BHA uses a streamlined income determination. Income from assets, however, is always anticipated, irrespective of the income examination type [Notice PIH 2023-27]. PHAs also have the option of using a "safe harbor" income verification from another federal means-tested program to verify gross annual income. Section 9 contains the BHA's policies related to streamlined income determinations and the use of safe harbor income verifications.

12.1.1 Scheduling Annual Reexaminations

The BHA must establish a policy to ensure that the annual reexamination for each family is completed within a 12-month period and may require reexaminations more frequently [PIH GB p. 2-6].

BHA Policy

The BHA will begin the annual reexamination process 120 days in advance of its scheduled effective date. Generally, the BHA will schedule annual reexamination effective dates to coincide with the family's anniversary date.

Anniversary date is defined as 12 months from the effective date of the family's last annual reexamination or, during a family's first year in the program, from the effective date of the family's initial examination (admission).

Reexamination Notice to the Family: The Authority will maintain a reexamination tracking system and the household will be notified by mail/email or other means of electronic communication (i.e. DocuSign) of the date for the submission of required forms for annual recertification at least ninety (90) days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the Authority will provide the notice in an accessible format. The Authority will also mail the notice to a third party if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

As part of the annual reexamination process, families are required to provide updated information to the BHA regarding the family's income, expenses, and composition [24 CFR 982.551(b)].

Families are required to submit verification as part of the 90-day notice, the total household income, and other information requested along with the completed forms to the BHA.

Documents Required From the Family: In the notification letter to the family, the Authority will include instructions for the family to provide the following:

- Application for Continued Occupancy;
- Documentation of income and assets for all family members;
- Documentation of any deductions/allowances;
- Personal Declaration Form completed by for all family members age 18 or older
- Birth Certificate/s for members added after initial lease-up;
- Social Security cards for members added after initial lease-up;
- Release of Information form/s;
- Disposition of Assets form;
- Declaration of 214 Immigration Status for all household members (only if immigration status has changed)
- Supplement to Application for Federally Assisted Housing (Form HUD- 92006)
- HUD Notice PIH 2009-35
- One Strike You're Out Policy
- "What You Should Know About EIV" guide
- Amendment #1
- Fraud Affidavit

Failure to Respond to Notification to Recertify: The written notification must state which family members are required to submit the documents required.

Any required documents or information that the family is unable to provide with the 90 day-notice time period, a 60-day notice will be sent to the family.

If the family does not provide the required documents or information within the required time period (plus any extensions), the family will be sent a 30- day notice of termination (See Section 18). The Authority will terminate program assistance to the family and offer them an informal hearing.

EIV SYSTEM SEARCHES EIV FAQs; EIV System Training 9/30/20; and Notice PIH 2023-27]

Existing Tenant Search

Prior to admission to the program, the BHA must search for all household members using the EIV Existing Tenant Search module. The BHA must review the reports for any SSA matches involving another BHA or a multifamily entity and follow up on any issues identified. The BHA must provide the family with a copy of the Existing Tenant Search results if requested. At no time may any family member receive duplicative assistance.

If the tenant is a new admission to the BHA, and a match is identified at a multifamily property, the BHA must report the program admission date to the multifamily property and document the notification in the tenant file. The family must provide documentation of move-out from the assisted unit, as applicable.

BHA Policy

The BHA will contact the other PHA or owner identified in the report to confirm that the family has moved out of the unit and obtain documentation of current tenancy status, including a form HUD-50058 or 50059, as applicable, showing an end of participation. The BHA will only approve assistance contingent upon the move-out from the currently occupied assisted unit.

Enterprise Income Verification (“EIV”) & You Brochure: The EIV & You Brochure is provided to Participants and potential Participants to inform them about the EIV system, the data that is available about them, how the information will be used, and their responsibility as a Participant. A signed return receipt will be signed by the participant and kept in the Participant’s file that will indicate the Participant received the brochure concerning EIV.

CALCULATING ANNUAL INCOME AT ANNUAL REEXAMINATION [24 CFR 5.609(c)(2) and Notice PIH 2023-27]

The BHA must determine the income of the family for the previous 12-month period and use this amount as the family income for annual reexaminations, except where the BHA uses a streamlined income determination as indicated in Section 11 of this policy. The BHA may also use Safe harbor income determinations dated within the last 12 months from a means-tested federal public assistance program at annual reexamination as outlined in Section 11 of this policy.

Except when using streamlined or Safe Harbor income determinations, in determining the income of the family for the previous 12-month period, any change of income since the family’s last annual reexamination, including those that did not meet the threshold to process an interim reexamination in accordance with BHA policies and 24 CFR 5.657(c) or 960.257(b) must be considered.

Income from assets is always anticipated, irrespective of the income examination type.

A change in income may be a loss of income or the addition of a new source of income. Changing to a different employer in the prior year does not necessarily constitute a change if the income earned from either employer is substantially the same. The BHA should look at the entirety of the family's unearned income and earned income from the prior year in which earned income may have been one constant job or many different jobs that start and stop.

Cost of Living Adjustments (COLA) to Social Security income and Social Security disability income are always considered changes to income because the COLA is an adjustment that automatically occurs annually by law. See Section 9 for BHA policies on when the COLA is applied and Chapter 8 on streamlined determination of income for inflationary adjustments.

Notice PIH 2023-27 lists the following steps to calculate both earned and unearned income at annual reexamination.

Step 1: The BHA determines annual income for the previous 12-month period by reviewing the following information:

- The EIV Income Report pulled within 120 days of the effective date of the annual reexamination;
- The income reported on the most recent HUD-50058; and
- The amount of prior-year income reported by the family on the BHA's annual reexamination paperwork.

Step 2: The BHA takes into consideration any interim reexamination of family income completed since the last annual reexamination.

- If there was an interim reexamination performed, the BHA must use the annual income from the interim to determine the family's total annual income, provided there are no additional changes.
- If the BHA did not perform an interim or there have been changes since the last reexamination, the BHA moves to Step 3.

Step 3: If there were changes in annual income not processed by the BHA since the last reexamination, the BHA must use current income. The family will be required to report their income for the prior year and whether there have been permanent changes.

- If there are no reported changes to an income source, the BHA may use documentation of prior-year income to calculate the annual income. For example, the BHA may use the following documentation:
- EIV + self-certification (wages, Supplemental Security Income (SSI), Social Security, and unemployment)

- Current written third-party verification from the source verifying prior-year income that is dated within 120 days of receipt by the BHA, for example:
 - Year-end statements
 - Paycheck with year-to-date amounts
 - Tax forms (Form 1040, W2, 1099, etc.)
- If there are reported changes by the family or the BHA notes discrepancies between EIV and what the family reports, the BHA must follow the verification hierarchy (described in Section 11) to document and verify income. Section 9.1.1 provides detailed examples of how the BHA calculates income from different sources at annual reexamination using the above method.

BHA Policy

When income is calculated using a streamlined income determination or Safe Harbor determination from a means-tested federal public assistance program in accordance with BHA policies in Section 9, the above is not applicable. However, where the family disagrees with the BHA or other agency's determination of income or the BHA has other reason to use third-party verification in these circumstances, then the above will apply.

Effective Dates:

The BHA must establish policies concerning the effective date of changes that result from an annual reexamination [24 CFR 982.516].

BHA Policy

In general, an increase in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date, and the family will be notified at least 30 days in advance.

If a family moves to a new unit, the increase will take effect on the effective date of the new lease and HAP contract, and no 30-day notice is required.

If the family causes a delay in processing the annual reexamination, increases in the family share of the rent will be applied retroactively, to the scheduled effective date of the annual reexamination. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement.

In general, a decrease in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date.

If a family moves to a new unit, the decrease will take effect on the effective date of the new lease and HAP contract.

If the family causes a delay in processing the annual reexamination, decreases in the family share of the rent will be applied prospectively, from the first day of the month following completion of the reexamination processing.

Delays in reexamination processing are considered to be caused by the family if the family fails to provide information requested by the BHA by the date specified, and this delay prevents the BHA from completing the reexamination as scheduled.

12.2 Interim Reexaminations [24 CFR 982.516; Notice PIH 2023-27]:

Family circumstances may change between annual reexaminations. HUD and BHA policies dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances the BHA must process interim reexaminations to reflect those changes.

A family may request an interim determination of family income or composition because of any changes since the last determination. The BHA must conduct any interim reexamination within a reasonable period of time after the family request or when the BHA becomes aware of a change in the family's adjusted income that must be processed in accordance with HUD regulations. What qualifies as a "reasonable time" may vary based on the amount of time it takes to verify information, but the BHA generally should conduct the interim reexamination not longer than 30 days after the BHA becomes aware of changes in income.

Notice PIH 2023-27 changes the conditions under which interim reexaminations must be conducted, codifies when interim reexaminations should be processed and made effective, and requires related changes for annual reexaminations and streamlined income determinations. When the BHA determines that an interim reexamination of income is necessary, they must ask the family to report changes in all aspects of adjusted income.

12.2.1 Changes in Family and household Composition:

Reporting

PHAs must require families to report household composition changes; however, PHAs determine the timeframe in which reporting happens [Notice PIH 2023-27]. The BHA must adopt policies prescribing when and under what conditions the family must report changes in income and family composition [24 CFR 960.257(b)(5)].

BHA Policy

All families must report all changes in family and household composition that occur between annual reexaminations within 5 business days of the change.

The BHA will conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations.

New Family Members Not Requiring BHA Approval

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require BHA approval. However, the family is required to promptly notify the BHA of the addition [24 CFR 982.551(h)(2)].

New Head of Household

If, through any cause, the head of household ceases to be a tenant member of the family, the lease will be voided and a new lease executed. A remaining member of the family who can qualify as a head of household will sign this new lease. If, nevertheless, no member is qualified to sign a new lease, the existing lease will be voided and the family will be required to vacate. Cancellation of a tenant's lease will be made in accordance with the provisions of the lease.

Adding Household Members

If, during the tenure of a lease agreement, a tenant requests the addition of a family member to the lease, the Authority will follow the same procedure when reviewing this individual's suitability for public housing as it follows when reviewing the initial applicant. The review of this individual will include all of the items as outlined in Section 2.0 Eligibility and Section 3.0 Applicant Screening Criteria of this ACOP.

If it is determined that this individual will not be a suitable resident of public housing, the Authority will notify the family that this individual will not be allowed to reside in the public housing nor be added to the lease. At this point the tenant may accept the Authority's decision or terminate their tenancy.

Removal of a Household Member

Once a tenant requests that an adult household member be removed from the lease, and the Authority does so, the tenant may not, in the future, request that the previously removed adult member be added back on to the lease for any reason, as the Authority shall deny said request. However, if a spousal relationship existed, the Authority may, at its discretion, allow the adult member back onto the lease upon written request by the head of household.

Deceased Household Member

When the Authority becomes aware of the death of a household member, whether by notification from another household member, a relative, a health official, police/fire representative, or by other means, the Authority is required to verify the death and perform the necessary administrative action (i.e. conduct an Interim Recertification or an End of Participation (EOP), or other administrative action). The Authority may accept a death certificate, an obituary published in the newspaper or online, printed announcements or other documentation that identifies the household member and date of death.

Per Notice PIH-2010-50 and/or related amendments, the Authority must also confirm the death by generating the "Deceased Tenants Report" available in HUD's EIV system at least monthly to identify families with deceased household members whose identity has been confirmed by the Social Security Administration (SSA) and take corrective action to ensure proper rent calculation and subsidy levels are maintained for the family.

Once verified, the Authority must perform an Interim Recertification to adjust the family size and/or income, and rent calculation. If the deceased member was the sole tenant on the lease, an

EOP must be performed and the tenancy terminated. The information must be entered onto the form HUD 50058 and submitted to the Housing Information Portal (HIP).

12.2.2 Changes Affecting Income or Expenses:

Overview

Interim reexaminations for changes in income or expenses may be scheduled either because the BHA has reason to believe that changes in income or expenses may have occurred, or because the family reports a change.

The BHA must estimate the income of the family for the upcoming 12-month period to determine family income for an interim reexamination [24 CFR 5.609(c)(1)]. Policies for projecting income are found in Chapter 6.

Interim Decreases [24 CFR 982.516(c)(2) and Notice PIH 2023-27]

A family may request an interim determination of family income for any change since the last determination. However, the BHA may decline to conduct an interim reexamination if the BHA estimates the family's adjusted income will decrease by an amount that is less than 10 percent of the family's adjusted income. The BHA may set a lower threshold in BHA policy such as performing an interim for any decreases in adjusted income, although HUD prohibits the BHA from setting a dollar-figure threshold.

However, while the BHA has some discretion, HUD requires that the BHA perform an interim reexamination for a decrease in adjusted income of any amount in two circumstances:

- When there is a decrease in family size attributed to the death of a family member; or
- When a family member permanently moves out of the assisted unit during the period since the family's last reexamination.

In the above circumstances, the BHA must perform an interim reexamination for any decrease in adjusted income.

If the net effect of the changes in adjusted income due to a decrease in family size results in no change or an increase in annual adjusted income, then BHA must process the removal of the household member(s) as a non-interim reexamination transaction without making changes to the family's annual adjusted income.

BHA Policy

The BHA will conduct an interim reexamination any time the family's adjusted income has decreased by more than 10 percent.

Interim Increases [24 CFR 982.516(c)(3) and Notice PIH 2023-27]

Increases Less than 10 Percent

PHAs must not process interim reexaminations for income increases that result in less than a 10 percent increase in annual adjusted income.

Increases 10 Percent or Greater

PHAs must conduct an interim reexamination of family income when the BHA becomes aware that the family's adjusted income has changed by an amount that the BHA estimates will result in an increase of 10 percent or more in adjusted income, with the following exceptions:

- PHAs may not consider any increases in earned income when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction during the same reexamination cycle; and
- PHAs may choose not to conduct an interim reexamination during the last three months of a certification period if a family reports an increase in income within three months of the next annual reexamination effective date.

When the family previously received an interim reexamination for a decrease to adjusted income during the same annual reexamination cycle, a BHA has the discretion whether to consider a subsequent increase in earned income.

BHA Policy

When a family reports an increase in their earned income between annual reexaminations, the BHA will not conduct an interim reexamination, regardless of the amount of the increase, however if there was a previous decrease that met the 10 percent threshold in earned income since the last reexamination, the BHA will conduct an interim reexamination.

The BHA will process an interim reexamination for any increases in unearned income of 10 percent or more in adjusted income.

The BHA will not perform an interim reexamination when a family reports an increase in income (whether earned or unearned income) within three months of their annual reexamination effective date. However, families who delay reporting income increases until the last three months of their certification period may be subject to retroactive rent increases.

Concurrent Increases in Earned and Unearned Income [Notice PIH 2023-27]

When the family reports an increase in both earned and unearned income at the same time, the BHA must look at the earned and unearned income changes independently of each other to determine if an interim reexamination is performed. The BHA will only conduct an interim reexamination when the increase independently meets the 10 percent threshold and all other requirements for performing interim reexaminations.

For example, if a family reported increases in both earned and unearned income that overall resulted in a 12 percent increase in their adjusted income, but the change in earned income represented a 7 percent increase and the change in unearned income represented a 5 percent increase, the BHA may not perform an interim for either change since neither change meets the 10 percent threshold amount independently. If the change in unearned income met the 10 percent threshold in this case, the BHA would be required to perform an interim. If the change in earned income met the 10 percent threshold in this case, the BHA would refer to BHA policy to determine whether an interim was required.

Cumulative Increases [Notice PIH 2023-27]

A series of smaller reported increases in adjusted income may cumulatively meet or exceed the 10-percent increase threshold, at which point the BHA must conduct an interim reexamination in accordance with BHA policy.

Family Reporting

The BHA must adopt policies consistent with HUD regulations prescribing when and under what conditions the family must report a change in family income or composition [24 CFR 982.516(d)].

Tenants are required to report all changes in family income during the term of the lease with the exception of tenants who elect to pay a Flat Rent (see “Rent Calculation” Section above). In case of a Flat Rent, the tenant will be required to report information on family income once every three year period unless the tenant experiences a decrease in income and requests to return to an Income-Based rent. However, the tenant is still required to sign and complete a Continued Occupancy form and report changes in family composition each year.

BHA policy may require families to report only changes that the family estimates meet the threshold for an interim reexamination or the BHA may establish policies requiring that families report all changes in income and household composition, and the BHA will subsequently determine if the change requires an interim reexamination [Notice PIH 2023-27].

When the BHA determines that an interim reexamination of income is necessary, they must ask the family to report changes in all aspects of adjusted income. For example, if the family is reporting a decrease in adjusted income that is more than 10 percent, but the family also had a change in assets that would result in a change in income, the change in assets must also be reviewed [Notice PIH 2023-27].

BHA Policy

The family will be required to report all changes in income regardless of the amount of the change, whether the change is to earned or unearned income, or if the change occurred during the last three months of the certification period. Families must report changes in income within 5 business days of the date the change takes effect. The family may notify the BHA of changes either orally or in writing. If the family provides oral notice, the BHA may also require the family to submit the changes in writing.

Within 5 business days of the family reporting the change, the BHA will determine whether the change will require an interim reexamination.

If the change will not result in an interim reexamination, the BHA will note the information in the tenant file but will not conduct an interim reexamination. The BHA will send the family written notification within 14 business days of making this determination informing the family that the BHA will not conduct an interim reexamination.

If the change will result in an interim reexamination, the BHA will determine the documentation the family will be required to submit based on the type of change reported and BHA policies in Section 9. The BHA will ask the family to report changes in all aspects of adjusted income at this time. The family must submit any required information or documents within 5 business days of receiving a request from the BHA. This time frame may be extended for good cause with BHA approval. The BHA will accept required documentation by mail, email, fax, or in person. The BHA will conduct the interim within a reasonable time period based on the amount of time it takes to verify the information.

Generally, the family will not be required to attend an interview for an interim reexamination. However, if the BHA determines that an interview is warranted, the family may be required to attend.

12.2.3 Effective Dates [24 CFR 982.516(e) and Notice 2023-27]:

Changes Reported Timely [Notice PIH 2023-27]

If the family reports a change in family income or composition timely in accordance with BHA policies:

- For rent increases, the BHA must provide the family with 30 days advance written notice. The rent increase is effective the first of the month after the end of that 30-day notice period.
- Rent decreases are effective on the first of the month after the date of the actual change leading to the interim reexamination of family income. This means the decrease will be applied retroactively.

Changes Not Reported Timely [Notice PIH 2023-27]

If the family failed to report a change in family income or composition timely in accordance with BHA policies:

- For rent increases, the BHA must implement any resulting rent increases retroactively to the first of the month following the date of the change leading to the interim reexamination of family income.
- For rent decreases, the BHA must implement the change no later than the first rent period following completion of the interim reexamination.

However, the BHA may choose to adopt a policy that would make the effective date of the rent decrease retroactive to the first of the month following completion of the reexamination. PHAs may choose to establish conditions or requirements for when such a retroactive application would

apply. PHAs that choose to adopt such policies must ensure the earliest date that the retroactive decrease is applied is the later of:

- The first of the month following the date of the change that led to the interim reexamination; or
- The first of the month following the most recent previous income examination.

In applying a retroactive change in rent as the result of an interim reexamination, the BHA must clearly communicate the effect of the retroactive adjustment to the family so that there is no confusion over the amount of the rent that is the family's responsibility.

BHA Policy

Procedures when the Change is Reported in a Timely Manner: The Authority will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

- Increases in the Tenant Rent are effective on the first of the month following at least thirty (30) days notice.
- Decreases in the Tenant Rent are effective the first of the month following that in which the change occurred. However, no rent reductions will be processed until all the facts have been verified, even if a retroactive adjustment results.

The change may be implemented based on documentation provided by the family or by a third party source.

Procedures when the Change is Not Reported by the Tenant in a Timely Manner: If the family does not report the change as described under Timely Reporting above, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

- Increase in Tenant Rent will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family may be required to sign a Repayment Agreement or make a lump sum payment.
- Decrease in Tenant Rent will be effective on the first of the month following completion of processing by the Authority and not retroactively. The BHA will decide to apply decreases retroactively on a case-by-case basis.

Procedures when the Change is Not Processed by the Authority in a Timely Manner:

- Increases in tenant rent: will be effective after the required thirty (30) days' notice prior to the first of the month after completion of processing by the Authority.
- Decreases in tenant rent: the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

BHA Errors: If the Authority makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted to correct the error, but the family will not be charged retroactively.

Other Interim Reporting Issues: In instances where fraud is suspected, an interim recertification of the family may be required.

12.3 Non-Interim Reexamination Transactions [Notice PIH 2023-27]:

Families may experience changes within the household that do not trigger an interim reexamination under BHA policy and HUD regulations but which HUD still requires the BHA to report to HUD via Form HUD-50058. These are known as non-interim reexamination transactions. In these cases, PHAs will submit a separate, new action code on Form HUD-50058. The following is a list of non-interim reexamination transactions:

- Adding or removing a hardship exemption for the child care expense deduction;
- Updating or removing the phased-in hardship relief for the health and medical care expense deduction and/or reasonable attendant care and auxiliary apparatus expense deduction (the phased-in relief will begin at an eligible family's first annual or interim reexamination, whichever is sooner, after January 1, 2024);
- Adding or removing general hardship relief for the health and medical care expense deduction and/or reasonable attendant care and auxiliary apparatus expense deduction;
- Adding or removing a minimum rent hardship;
- Adding or removing a non-family member (i.e., live-in aide, foster child, foster adult);
- Ending a family's EID or excluding 50 percent (decreased from 100 percent) of a family member's increase in employment income at the start of the second 12-month EID period.
- Adding a family member and the increase in adjusted income does not trigger an interim reexamination under the final rule;
- Removing a family member and the increase in adjusted income does not trigger an interim reexamination under the final rule;
- Adding/Updating a family or household member's Social Security number;
- And updating a family member's citizenship status from eligible to ineligible or vice versa, resulting in a change to the family's rent and/or utility reimbursement, if applicable (i.e., family begins receiving prorated assistance or previously prorated assistance becomes full assistance), or updating the prorated rent

calculation due to the addition or removal of family members in household with an ineligible noncitizen(s).

PHAs must make all other changes to assets, income, and deductions at the next annual or interim reexamination of income, whichever is sooner.

13.0 INSPECTIONS

In accordance with HUD regulations, the Authority has established high standards for maintaining sanitary apartment conditions, efficient building systems and suitability criteria for common areas and grounds for the health and safety of our tenant families, staff and visitors. As such, tenants are required to observe good housekeeping standards, immediately report the need for repairs and provide access to the apartment for inspections.

13.1 Initial Inspection at Move-In:

Prior to initial occupancy, the Authority and the prospective tenant shall perform a walk-through of the apartment to determine its condition at the time of move-in. A written inspection report shall be prepared by the Authority and signed by the prospective tenant. This inspection report shall document any and all conditions within the apartment prior to occupancy.

13.2 Inspection at Move-Out:

Prior to move-out, the Authority and the tenant, if available and willing, shall perform a walk-through of the apartment to determine its condition at time of move-out. A written inspection report shall be prepared by the Authority and, if present during the move-out inspection, signed by the tenant. The inspection report shall document any and all conditions within the apartment prior to move-out. If the tenant has provided a forwarding address, a copy of the inspection report will be sent to the tenant within ten (10) business days of the inspection. An itemized bill will be sent at this time, if applicable, for damages and any monies owed to the Authority. It is the tenant's responsibility to pay for any repairs to the apartment due to their actions. Failure to remit payment may result in the Authority taking action to recover these monies. See Exhibit C: Schedule of Move-Out Charges

13.3 Annual Inspections:

At least once a year the Authority will perform an inspection of the apartment. The inspection will be in accordance with the Uniform Physical Condition Standards (UPCS), and a copy of the report will be maintained in the tenant's file. Any deficiencies found at the time of the inspection will result in the creation of a work order for the repair. If a tenant's negligence or abuse caused the required repair, the tenant will be responsible for paying for the repair. A list of all maintenance charges will be provided to the tenant at lease signing. Tenants will be given at least 48 hours advance notice of an inspection.

If the inspection indicates that the tenant has poor housekeeping habits and requires extermination due to poor housekeeping, the inspector will fail the apartment. A follow-up inspection may be scheduled within thirty (30 days) to ensure that the deficiencies are corrected. If the tenant fails to correct the deficiencies, provisions of the lease may be enforced and the tenant evicted.

13.4 Emergency Inspections:

If an employee and/or agent of the Authority has reason to believe that an emergency exists within the apartment, the apartment can be entered without notice. The person(s) that enters the apartment must leave a written notice to the tenant indicating the date and time the apartment was entered and the reason why it was necessary to enter.

13.5 Random Inspections/Extermination Services:

The Authority retains the right to perform random inspections to determine whether or not the tenant is keeping the apartment in a decent, safe and sanitary condition and to perform extermination services in accordance with the guidelines established by the Authority. A copy of the report will be maintained in the tenant's file. Tenants will be given at least 48 hours advance notice of an inspection.

13.6 HUD Inspections:

Periodically, HUD-contracted inspectors are required to inspect the public housing apartments, buildings, systems, common areas and grounds in connection to HUD's oversight of the Authority. The Authority will issue a general notice of the scheduled inspections but cannot issue notices to specific tenants because the HUD inspector randomly selects the apartments to inspect at the time of inspection.

14.0 SMOKE-FREE POLICY

In accordance with HUD regulations under 24 CFR Parts 965 & 966, smoking is strictly prohibited in all indoor and outdoor areas including, but not limited to:

- All apartments
- Balconies
- Hallways
- Stairwells
- Community rooms
- Laundry rooms
- Elevators
- Building lobbies
- Administrative and rental offices
- Outdoor areas up to 25 feet from the Authority's buildings

Individuals who are found smoking in any indoor areas of the Authority and within 25 feet of Authority buildings will be in breach of the lease and subject to the Authority's action up to and including eviction. The Authority's full Smoke-Free Policy is herein included by reference. See Exhibit H

The definition of "smoking" means carrying or smoking a lighted tobacco product or the burning of any tobacco material to be inhaled including but not limited to: cigarettes, cigars, pipes, or hookahs (water pipes), or engaging in an act that generates smoke for the purpose of human inhalation.

When enforcing the lease, the Authority will provide due process and allow the tenant to exercise right to an informal settlement process and a formal hearing. The Authority will not evict for a single incident of smoking, in violation of a Smoke-Free policy.

15.0 PARKING POLICY

It is the policy of the Authority to regulate all on-site parking. On-site parking is a privilege and is, therefore, granted in accordance with the Authority's Parking Policy which is herein included by reference. Parking is reserved only for tenants who are listed on the lease. Parking permits will be given only to those tenants who present a valid New Jersey driver's license with an Authority address. Registration of the car must be made in the tenant's name and the tenant must possess a valid automobile insurance card in their name. The driver's license, automobile registration and insurance must be listed in the tenant's name at the tenant's BHA address. See Exhibit F

16.0 PET POLICY

It is the purpose of this policy to: ensure that those tenants who desire pets are responsible pet owners; and that those tenants who do not desire pets are not inconvenienced by pets on the premises; to assure that pets on Authority premises are properly cared for; and that the Authority properties remain decent, safe and sanitary. See Exhibit G

17.0 COMMUNITY SERVICE

All adult household members are required to contribute eight (8) hours per month of community service within the community in which the adult resides or to participate in an economic self-sufficiency program for eight (8) hours per month.

The following tenants are exempt from this requirement:

- a. Age 62 years of age or older;
- b. Household member is a blind or disabled individual as defined under section 216 (i) (1); 1382 (c) of the Social Security Act, or is a primary caretaker of such individual;
- c. Household member is engaged in a work activity as defined in section 407 (d) of the Social Security Act (42 U.S.C. 607 (D));
- d. Household member meets the requirements for being exempted from having to engage in a work activity under the New Jersey program funded under part A of Title IV of the Social Security Act or under any other welfare program of New Jersey State including New Jersey administered welfare to work programs; and/or
- e. Household member is in a family receiving assistance under a New Jersey program funded under Part A of Title IV of the Social Security Act (42 U.S.C. 601 et. Seq.) or under any other Welfare program of New Jersey including welfare to work program and is not in noncompliance with such program.

The Authority will administer this requirement and all eligible tenants must contact the Authority to inquire about the program. The Authority's Community Service policy is herein included by reference. See Exhibit I

18.0 TERMINATION OF THE LEASE

See Lease, Section 13. In the event the Authority is forced to institute legal action for eviction, the tenant will be responsible for any legal costs incurred by the Authority. In the event the Authority is forced to institute legal action for eviction and the tenant is evicted, the tenant shall be responsible for any reasonable legal and court costs incurred by the Authority. See Exhibit M

19.0 GRIEVANCE POLICY

The purpose of the Grievance Policy is to ensure that tenants are afforded an opportunity to seek the settlement of individual disputes with respect to an action or a failure to act by the Authority in accordance with the lease agreement, HUD regulations or Authority policies that affect the tenant's rights, duties, welfare or status.

A Grievance Hearing does not address any dispute the tenant may have against the Authority concerning a termination of tenancy or eviction that involves any activity that may threaten the health, safety, or right to peaceful enjoyment of the public housing premises by other tenants or employees of the Authority, or any criminal/drug-related activity on or off Authority premises. A Grievance Hearing also does not address disputes between residents. See Exhibit L

19.1 Requesting a Hearing:

Any grievance must be presented promptly, in writing, to the Authority's administrative office so that the grievance may first be discussed informally and settled without a Hearing. The grievance must be made within five (5) business days of the date of mailing the adverse action or grievable complaint.

19.2 Informal Settlement of Grievance:

Upon receipt of the written grievance, the Authority will, within a reasonable time frame, informally discuss the grievance with the complainant and/or their representative in an attempt to resolve the grievance without a formal hearing. If, at any time the need for a third-party, including a witness or representative, becomes or should become involved in the process, the Informal Settlement conference shall become a "hearing." The Authority will notify the tenant of the date and time the Informal Hearing will take place.

19.3 Informal Hearing:

If the complainant is not satisfied with the results of the Informal Settlement of Grievance, they must submit a written request for an Informal Hearing to the Authority's administration office within five (5) business days. The written request must specify the reasons for the Informal Hearing and the action or relief sought. The Hearing will be conducted by an impartial person appointed by the Authority other than the person who approved the action under review or a subordinate of such person. If the tenant fails to request the Informal Hearing, the Authority's decision will become final and the Authority is not obligated to offer a Formal Grievance Hearing. The tenant retains the right to contest the Authority's actions in an appropriate judicial proceeding.

19.4 Formal Grievance Hearing:

Upon compliance with the above process, the tenant may request, in writing, a Formal Grievance Hearing which shall be held before a Hearing Officer. The tenant will be informed in writing of

the date and time the Formal Grievance Hearing will take place. The tenant has the right to: examine any Authority documents relevant to the Hearing; to be represented by counsel or any other person they choose; to a private hearing unless a public hearing is requested; to present evidence and arguments and cross-examine Authority witnesses. The Hearing Officer shall make a determination as to the merits of the Grievance and shall provide a written decision, not to exceed ten (10) calendar days after the Hearing. The decision of the Hearing Officer is binding on the Authority unless the Authority's Board of Commissioners determines otherwise and notifies the complainant in writing.

19.5 Appeal to the Authority's Board of Commissioners:

If the complainant is not satisfied with the decision of the Hearing Officer, they may make a written request to appeal to the Board of Commissioners. The tenant will be notified of the date and time at which they may appeal to the Board. The decision by the Hearing Officer or the Board of Commissioners in favor of the Authority's action shall not constitute a waiver of the rights of the tenant to a trial de novo or judicial review in any judicial proceeding.

20.0 DEFINITION OF GENERAL TERMS:

Child Custody. An applicant or tenant who does not have full custody of a minor child(ren) may only claim a child as a dependent as follows:

- a. The applicant or tenant must have primary custody of the child(ren).
- b. The applicant or tenant must provide sufficient evidence that if the applicant were admitted the child would reside with the applicant. The same child cannot be claimed by more than one applicant (i.e. counted more than once in order to make two (2) eligible families).

Citizen. An individual born in the United States or naturalized.

Dependent. A member of the household, excluding foster children and foster adults, the head or spouse, a sole member who is under 18 years of age, is a disabled or handicapped person, or is a full-time student. The income of family members under the age of 18 (including foster children) is excluded from annual income.

Disabled Person. An individual who is under a disability as defined in Section 223 of the Social Security Act or in Section 102(b)(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970.

Section 223 of the Social Security Act defines disability as:

“Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months”; or

In the case of an individual who has attained the age of 55 and is blind (within the meaning of “blindness” as defined in Section 416(I)(1) of this title: “the inability by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which they have previously engaged with some regularity and over a substantial period of time.”

Section 102(b)(5) of the Developmental Disabilities Services and Facilities Construction amendments of 1970 defines disability as:

“A disability attributable to mental retardation, cerebral palsy, epilepsy, or another neurological condition of an individual found by the Secretary to be closely related to mental retardation or to require treatment similar to that required for mentally retarded individuals, which disability originates before such individual attains age eighteen, which has continued or can be expected to continue indefinitely, and which constitutes a substantial handicap to such individual.”

No individual shall be considered to be a person with a disability for purposes of eligibility for low income housing solely on the basis of any drug or alcohol dependency.

Disabled Family is a family in which the head, co-head, spouse or sole member is a person with a disability, as described above. Disabled families receive a \$400 deduction from annual income; can receive a deduction for certain expenses described above in excess of 3% of annual income; and receive a \$480 deduction for each dependent.

Elderly Family. A family whose head, co-head or spouse or whose sole member is at least 62 years of age, or disabled as defined in this section, or handicapped as defined below, and may include two or more elderly, disabled or handicapped persons living together, or one or more such persons living with another person who is determined to be essential to their care and wellbeing.

Extremely Low-Income Family. Extremely low-income (“ELI”) family is defined as a very low-income family whose income does not exceed the higher of 30% of the area median income or the federal poverty level. Per 24 CFR 5.603, the federal poverty level provision in the definition of ELI families does not apply in the case of public housing agencies or projects located in Puerto Rico or any other territory or possession of the U.S.

Familial Status. Individuals in the process of obtaining custody of an individual who has not attained the age of 18 years are considered for occupancy as a family. Therefore, these families may be eligible for a larger unit and their income eligibility will be based on the larger household size.

Family. Two or more persons (with or without children) regularly living together, related by blood, marriage, adoption, guardianship or operation of law who give evidence of a “stable relationship” which has existed over a period of years. With respect to single persons, such definition shall include an elderly family as defined above, or a displaced family as defined above, the remaining member of a tenant family, or single person family as defined below. By definition a family must contain a competent adult of at least 18 years of age to enter into a contract and capable of functioning as the head of household.

There must be some concept of family living together beyond the mere sharing or intention to share housing accommodations by two or more persons to constitute them as a family within the meaning of this policy.

Foster Child(ren). With the prior consent of the Authority a foster child may reside in the dwelling unit. Foster children are not considered dependents and their disability and medical expenses cannot be deducted from annual income. Their income is not included in the household's annual income. This determination will be based on the following:

- a. Whether the addition of the child will require a larger unit for the family and subsequently lead to a transfer to another unit.
- b. The ability to make reasonable accommodations for the handicapped person.

Full-time Student. A person who is carrying a subject load which is considered full-time for day students under the standards and practices of the educational or vocational institution. Family members, other than the head, co-head, or spouse, who are age 18 or over and are full-time students are considered dependents.

Grievance Procedure. All tenants are afforded the rights under the grievance policy of the Authority. The grievance policy and procedures are incorporated into this document by reference and is a guideline to be used for grievances and appeals.

Handicapped Person. A person having a physical or mental impairment, which 1) is expected to be of longstanding and indefinite duration, 2) substantially impedes their ability to live independently, and 3) is of such nature that such ability could be improved by more suitable housing conditions.

Hazardous Duty Pay. Pay to a family member in the Armed Services that is away from his primary residence and in a hostile situation. The pay received for this duty is not included in the total family income.

Head of Household. The adult family member who is held responsible and accountable for the family.

Homelessness. An individual or household is considered to be homeless as follows:

- a. They lack a fixed, regular and adequate residence.
- b. They have a primary residence that is
 - A supervised shelter designed to provide temporary living arrangements (including welfare hotel, congregate shelters and transitional housing or housing for the mentally ill.);
 - An institution that provides a temporary residence for individuals untended to be institutionalized; or
 - A place not designated for, or ordinarily used as, a regular sleeping accommodation for human beings.
- c. A homeless family does not include:
 - Any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State Law; or

- Any individual who is a Single Room Occupant (SRO) that is not considered substandard housing.

Live-In Aide. A person who resides with an elderly, disabled or handicapped person(s) and who:

- a. Is determined by the Authority to be essential to the care and wellbeing of the person(s).
- b. Would not be allowed to live in the unit except to provide support for the person(s). The income of the live-in aide is not included in the family income.
- c. Is not obligated for support of the person(s).

Lower Income Family. A family whose annual income does not exceed 80% of the median income for the area as determined by HUD with adjustments for family size. HUD may establish income limits higher or lower than 80% of median income for the areas on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

Minimum Rent. Families assisted under the public housing program shall pay a monthly minimum rent of not less than \$50.00 per month. The Authority has the discretion to establish the minimum rent from \$0 up to \$50.00. The minimum rent established by this Housing Authority is \$50.00.

Minor. A person, other than the head of household or spouse, under 18 years of age.

Mixed Family. A household whose members comprise of those with United States Citizenship or eligible immigration status and those without citizenship or eligible immigration status. The Authority cannot support or financially assist those individuals without citizenship or eligible immigration status.

Non-Citizen. A person who is neither a U.S. citizen nor a national of the United States.

Permanently Absent Family Member is a person that the Authority has determined to be no longer a member of the assisted household, including but not limited to a person confined to a nursing home, or as a result of a divorce action, etc.

Preponderance of the Evidence. Means that there is enough convincing evidence that makes it probable that the fact the claimant seeks to prove is true or accurate.

Recertification. Recertification is the process to reexamine documentation that indicates that tenants meet continued occupancy standards and to determine their income for the purposes of calculating rent.

Reexamination Date. The date on which any rent change is effective or would be effective if required as a result of the annual re-examination of eligibility and rent.

Remaining Member of Tenant Family. The person(s) of legal age remaining in the public housing unit after the person(s) who signed the lease has (have) left the premises, other than by eviction, who may or may not normally qualify for assistance on their own circumstances. An individual must occupy the unit to which he/ she claims head of household status for one year before becoming eligible for subsidized housing as a remaining family member. This person must

complete the required forms of the Authority within ten (10) days from the departure of the leaseholder and may remain in the unit for a reasonable amount of time pending verification and processing of their request. This person must upon satisfactory completion of the verification process then execute a new lease and cure any monetary defects and obligations in order to remain in the unit.

Any person who claims to be a remaining member of the family unit shall, in the event that the Authority declares them to be ineligible for remaining member status, be entitled to a grievance hearing upon notice that they will not be considered a remaining member of the household. The grievance procedure will meet all of the guidelines as outlined in the lease and lease attachments. In the interim between the time of the determination that there will be a grievance hearing and the determination of the grievance hearing officer, all rent that was due pursuant to the lease shall be deposited into an escrow account with the Authority. The Authority does not recognize the person as a tenant by giving him or her the opportunity for a grievance hearing. A remaining member shall not be considered to be a tenant until such time as the Authority executes a new lease and the person is granted head of household status after verification of all income and other related information.

Serviceman. A person currently in the active military service of the United States.

Single Person. A person living alone or intending to live alone and who does not qualify as an elderly family, displaced person, or the remaining member of a tenant family.

Spouse. The husband or wife of the head of household.

Temporarily Absent Family Member is a person determined by the Authority to be out of the household for a specific period of time and is expected to return to the household at the expiration of the timeframe, including but not limited to an individual living in a college dormitory, or a person in the hospital who is expected to return to the household, etc.

Veteran. A person who has served in the active military or naval service of the United States at any time as the President of the United States shall determine, and who has been discharged or released therefrom under conditions other than dishonorable.

21.0 INCOME DEFINITIONS

For the purpose of calculating and determining rent, the following definitions are provided:

Adjusted Income. Annual income less: a) \$480 for each dependent, b) \$400 for any elderly family, c) medical expenses in excess of 3% of annual income for elderly family and d) child care expenses while a head of household or spouse is employed or attending school.

If the total annual income less the above noted deductions results in a rent payment that is less than the established minimum rent standard, the resident's rent shall be the approved Housing Authority's minimum rent.

Annual Income means all amounts, monetary or not, that:

- 1) go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member; or
- 2) go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member; or
- 3) are not specifically excluded from annual income.

Annual income includes but is not limited to: (24 CFR 5.609)

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
2. Any regular monetary contribution to the household from any source, including but not limited to payments received from Zelle, Cash App, Venmo, or any virtual source.
3. The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight-line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business;
4. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for the straight-line depreciation of real or personal property is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the property;
5. If the Family has Net Family Assets in excess of \$5,000, Annual Income shall include the greater of the actual income derived from all Net Family Assets or a percentage of the value of such Assets based on the current HUD passbook savings rate. The rate will be used to calculate imputed asset income for all applicants and participants;
6. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, alimony, child support and other similar types of periodic receipts;
7. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay;
8. All welfare assistance payments (Temporary Assistance to Needy Families, General Assistance) received by or on behalf of any family member;

Welfare Assistance:

- If the amount of welfare is reduced due to an act of fraud by a family member or because of any family member's failure to comply with requirements to participate in an economic self-sufficiency program or work activity, the amount of rent required to be paid by the family will not be decreased. In such cases, the amount of income attributable to the family will include what the family would have received had they complied with the welfare requirements and/or had not committed an act of fraud.
- If the amount of welfare assistance is reduced as a result of a lifetime time limit, the reduced amount is the amount that shall be counted as income.

Annual income includes but is not limited to: (24 CFR 5.609) - Continued

9. Periodic and determinable allowances, such as alimony and child support payments, and regular cash and non-cash contributions or gifts received from agencies or persons not residing in the dwelling made to or on behalf of family members; and
10. All regular pay, special pay, and allowances of a family member in the Armed Forces except military pay for exposure to hostile fire.

Childcare Expenses. Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which the annual income is computed, but only where such care is necessary to enable a family member to be gainfully employed, to further their education, or actively seek employment. The amount deducted shall reflect reasonable charges for childcare, and in the case of childcare necessary to permit employment, the amount deducted may not exceed the amount of income received from such employment. The Authority will not normally allow childcare deductions when the family has an additional unemployed adult member who is physically capable of caring for the child(ren).

Contract Rent. The rent charged a tenant for the use of the dwelling unit and equipment such as range and refrigerator, but not including furniture, and reasonable amounts for utilities determined in accordance with the Authority's schedule of utility allowances deducted from Gross Rent. If the allowances exceed the Gross Rent the Authority will give the resident a credit equal to the amount by which the allowance exceeds the Gross Rent.

Exclusions from Total Family Income. Temporary, nonrecurring or sporadic income defined as follows:

- a. Casual, sporadic and irregular gifts and amounts, which are specifically received for, or are a reimbursement of, the cost of illness or medical care.
- b. Lump-sum additions to family assets such as, but not necessarily limited to, inheritances, insurance payments, worker's compensation, capital gains, and settlements for personal or property losses.
- c. Amounts of education scholarships paid directly to the student or the educational institution and amounts paid by the United States Government to a veteran for use in meeting the cost of tuition, fees, books, to the extent that such amounts are so used. All forms of student financial assistance. Any amounts of such scholarships

or payments to veterans not used for the above purpose that are available for subsistence are to be included in income. Hazardous duty pay to a family member in the Armed Forces away from home and exposed to hostile fire is excluded.

- d. Relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
- e. The value of the coupon allotments for the purchase of food in excess of the amount actually charged an eligible household pursuant to the Food Stamp Act of 1977.
- f. Payments received by participants or volunteers in programs pursuant to the Domestic Volunteer Service Act of 1973.
- g. Payments received by participants in other publicly assisted programs as reimbursement for out-of-pocket expenses incurred, e.g. special equipment, clothing, transportation, reimbursement for child care, etc. which are solely to allow participation in a specific program and cannot be used for other purposes.
- h. Income of a live-in aide as defined above.
- i. Income from employment of children (including foster children) under the age of 18 years.
- j. Payments received for the care of foster children.
- k. Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the 1937 Act.
- l. Payments received from the Job Training Partnership Act.
- m. Payments from Programs under Title V of the Older Americans Act of 1965.
- n. Payments received under the Alaska Native Claims Settlement Act.
- o. Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes.
- p. Income derived from the disposition of funds of the Grand River band of Ottawa Indians.
- q. The first \$2,000 of per capita shares received from judgement funds awarded by the Indians Claims Commission or the Court of Claims or from funds held in trust for an Indian tribe by the Secretary of the Interior.
- r. Payments or allowances made under the Department of Health and Human Services for Low Income Home Energy Assistance Program.
- s. Reparation payments made by foreign governments in connection with the Holocaust.
- t. Amounts received under training programs funded by HUD.

- u. Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
- v. Amounts received by participants in other publicly assisted programs which are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program.
- w. For taxable years after December 31, 1990, the earned income tax credit refund. Effective Date: July 25, 1994.
- x. The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, section 22 of the U.S. Housing Act of 1937, or any comparable Federal, State, or local law during the exclusion period. For purposes of this paragraph, the following definitions apply:

Comparable Federal, State or Local Law means a program providing employment training and supportive services that:

- Are authorized by a federal, state or local law; Are funded by federal, state or local government; Are operated or administered by a public agency; has as its objective to assist participants in acquiring job skills.

Exclusion period means the period during which the resident participates in a program described in this section, plus 18 months from the date the resident begins the first job acquired by the resident after completion of such program that is not funded by public housing assistance under the U.S. Housing Act of 1937. If the resident is terminated from employment without good cause, the exclusion period shall end. Earnings and benefits mean the incremental earnings and benefits resulting from a qualifying employment-training program or subsequent job. This provision does not apply to residents participating in the Family Self-Sufficiency Program who are utilizing the escrow account. Also, residents are required to pay the appropriate minimum rent.

- y. A resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a public housing resident for performing a service for the HA, on a part-time basis, that enhances the quality of life in public housing. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No Resident may receive more than one such stipend during the same period of time.
- z. Compensation from State or local employment training programs and training of a family member as resident Management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance by the Authority.
- aa. For all initial determinations and reexaminations of income carried out on or after April 23, 1993, reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.

- bb. Earning in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse).
- cc. Adoption assistance payments in excess of \$480 per adopted child.
- dd. Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment received on or after October 28, 1992.
- ee. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
- ff. Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.

Flat Rent. A maximum rent to be charged on a public housing dwelling unit that is established in accordance with HUD regulations and approved by the Board of Commissioners. The flat rent is set at no less than 80% of the applicable Fair Market Rent (“FMR”) by bedroom size. In applying the flat rent, any increase that exceeds 35% annually must be phased in. Flat rents must be adjusted downward to account for utility costs if the resident is responsible to pay utilities to a utility provider. This shall encourage mixed income developments and working families to reside in public housing.

Gross Income. Total income as defined in “Total Family Income” above.

Gross Rent. Contract rent plus the amount of any applicable allowance for resident-supplied utilities.

Monthly Adjusted Income. Adjusted income divided by 12.

Monthly Income. Annual gross income divided by 12.

Net Family Assets. Value of equity in real property, savings, stocks, bonds and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD home ownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded. (In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.) In determining net family assets, the Authority shall include the value of any assets disposed of by an applicant or resident for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or recertification, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or resident receives important consideration not measurable in dollar terms.

Public Housing Agency. Any state, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) that is authorized to engage in or assist in the development or operation of housing for lower income families.

Rent Burden. May be used for the purpose of determining a preference. Applicants must be paying more than 50% of their monthly income for rent for at least 90 days.

Substandard Housing. The HUD definition now specifically includes as homeless, participants in transitional housing programs.

Tenant Rent. The amount payable monthly by the household as rent to the Authority. Where the Authority supplies all utilities (except telephone) and other essential housing services, Tenant Rent equals Total Tenant Payment. Where some or all utilities (except telephone) and other essential housing services are not supplied by the Authority and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment less Utility Allowances.

Total Family Income. Income anticipated to be received during the 12 months following admission or recertification. Income from all sources from 1) the head of household and/or spouse and 2) each additional household member who is at least 18 years of age, excluding full-time student income, income which is temporary, non-recurring or sporadic as defined below. Total family income should include that portion of the income of the head of household or spouse temporarily absent which, in the determination of the Authority, is available to meet the family's needs. Total family income includes, but is not limited to the following:

- a. The full amount, before any payroll deductions, of wages and salaries, including compensation for personal services such as commissions, fees, tips, bonuses, and cash payments.
- b. Net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine net income from a business.
- c. Interest, dividends, and net income of any kind of real or personal property. Where the family has net assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net assets or a percentage of the value of such assets based on the current rate as determined by HUD.
- d. The full amount received from annuities, periodic payments from insurance policies, retirement income, pensions, periodic benefits for disability or death and other similar types of periodic receipts.
- e. Payments in lieu of earnings, such as unemployment and disability compensation, social security benefits, worker's compensation and termination wages.
- f. Welfare assistance payments.
- g. Periodic and determinable allowances, such as alimony, child support and regular contributions or gifts, including amounts received from any persons not residing in the dwelling unit.

- h. All regular pay, special payments and allowances, such as longevity, overseas duty, rental allowances, allowances for dependents, etc. received by a member of the Armed Forces, with the exception of hazardous duty pay.
- i. Payments to head of household for the support of a minor, or payments nominally to a minor for their support, but control for their benefit by the head of household or a resident family member other than the head, who is responsible for their support.
- j. Veterans Administration compensation (Service-connected disability or death benefits)
- k. Any earned income tax credit to the extent it exceeds income tax liability.

All income is to be annualized if information received is for less than a 12-month basis. It is important to note that changes in family composition and or income must be reported to the Authority within ten (10) days. Failure to do so may result in eviction proceedings. In the case on income adjustments all back rent due and owing will be due within fourteen (14) days from the date the Authority formally notifies the resident of the amount due.

Total Tenant Payment (TTP). This amount is the family must pay per month. It may be either the minimum rent of \$50.00 or:

- a. For the public housing program, the TTP must be the greater of
 - 30 percent of family monthly adjusted income;
 - 10 percent of family monthly income;
 - \$50.00 which is the minimum rent set by the Authority, or
- b. The flat rent. The resident may elect the flat rent in lieu of the rent calculated in paragraph "a" above.

It is possible for the resident to qualify for a utility reimbursement despite the requirement of a minimum rent. If the utility allowance were greater than the minimum rent, the resident would receive a reimbursement for resident-purchased utilities.

Unreported Income. If a resident fails to report income the tenancy will be terminated under the terms of the lease and in accordance with the New Jersey State Statutes. If the act is determined by the Authority to be intentional, the resident will be obligated to pay the applicable portion of the rent for any and all unreported income, and may be prosecuted. If the unreported income was unintentional the Authority may approve a repayment agreement, which stipulates the schedule of repayments, the amount of the payment, and the consequences if a payment is missed.

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

Utility Reimbursement. The amount, if any, by which the Utility Allowance for a unit, if applicable, exceeds the Total Tenant Payment for the household occupying the unit.

Very Low Income Family. A Lower Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for family size. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

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

ATTACHMENTS

EXHIBITS [2.1 to 11.1]

<i>Exhibit 2.1</i>	Detailed Definitions Related to Disabilities
<i>Exhibit 2.1</i>	Person with Disabilities [24 CFR 5.403]
<i>Exhibit 2.1</i>	Individual with Handicaps [24 CFR 8.3]
<i>Exhibit 2.2</i>	Definition of Institution of Higher Education [20 U.S.C 1001 and 1002]
<i>Exhibit 2.2</i>	Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Supplementary Guidance; Notice [Federal Register, April 10, 2006]
<i>Exhibit 9.1</i>	Annual Income Full Definition
<i>Exhibit 9.2</i>	Treatment of Family Assets
<i>Exhibit 9.3</i>	The Effect of Welfare Benefit Reduction
<i>Exhibit 11.1</i>	Summary of Documentation Requirements for Non-Citizens

EXHIBITS [A to N]

<i>Exhibit A</i>	Income Limits for Admission (HUD changes the amounts annually)
<i>Exhibit B</i>	504 Reasonable Accommodation Policy
<i>Exhibit C</i>	BHA Maintenance Charges
<i>Exhibit D</i>	Drug Abuse and Other Criminal Activity Policy
<i>Exhibit E</i>	Flat Rent Policy (HUD Changes FMRs amounts annually)
<i>Exhibit F</i>	Parking Policy
<i>Exhibit G</i>	Pet Policy
<i>Exhibit H</i>	Smoke-Free Policy
<i>Exhibit I</i>	Community Service & Self-Sufficiency Requirement (CSSR)
<i>Exhibit J</i>	Live-In-Aide Policy
<i>Exhibit K</i>	Violence Against Women Act (VAWA) Policy
<i>Exhibit L</i>	Grievance Policy
<i>Exhibit M</i>	Lease
<i>Exhibit N</i>	One Strike You're Out Policy

EXHIBIT 2-1: DETAILED DEFINITIONS RELATED TO DISABILITIES

Person with Disabilities [24 CFR 5.403]

The term *person with disabilities* means a person who has any of the following types of conditions:

- Has a disability, as defined in 42 U.S.C. Section 423(d)(1)(A), which reads:

Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; *or*

In the case of an individual who has attained the age of 55 and is blind (within the meaning of “blindness” as defined in section 416(i)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity, requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.

- Has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C.15002(8)], which defines developmental disability in functional terms as follows:

(A) In General

The term “developmental disability” means a severe, chronic disability of an individual that:

- (i) is attributable to a mental or physical impairment or combination of mental and physical impairments;
- (ii) is manifested before the individual attains age 22;
- (iii) is likely to continue indefinitely;
- (iv) results in substantial functional limitations in 3 or more of the following areas of major life activity: (I) Self-care, (II) Receptive and expressive language, (III) Learning, (IV) Mobility, (V) Self-direction, (VI) Capacity for independent living, (VII) Economic self-sufficiency; and
- (v) reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

(B) Infants and Young Children

An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting 3 or more of the criteria described in clauses (i) through (v) of subparagraph (A) if the individual, without services and supports, has a high probability of meeting those criteria later in life.

- Has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration; substantially impedes their ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.

People with the acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for AIDS are not excluded from this definition.

A person whose disability is based solely on any drug or alcohol dependence does not qualify as a person with disabilities for the purposes of this program.

For purposes of reasonable accommodation and program accessibility for persons with disabilities, the term person with disabilities refers to an individual with handicaps.

Individual with Handicaps [24 CFR 8.3]

Individual with handicaps means any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment. The term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others. As used in this definition, the phrase:

(1) Physical or mental impairment includes:

(a) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genitourinary; hemic and lymphatic; skin; and endocrine; or

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

(2) *Major life activities* means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

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

(4) *Is regarded as having an impairment* means:

(a) Has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation;

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

(c) Has none of the impairments defined in paragraph (1) of this section but is treated by a recipient as having such an impairment.

EXHIBIT 2-2: DEFINITION OF INSTITUTION OF HIGHER EDUCATION
[20 U.S.C. 1001 and 1002]

Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Supplementary Guidance; Notice [Federal Register, April 10, 2006]

Institution of Higher Education shall have the meaning given this term in the Higher Education Act of 1965 in 20 U.S.C. 1001 and 1002.

Definition of “Institution of Higher Education” From 20 U.S.C. 1001

- (a) Institution of higher education. For purposes of this chapter, other than subchapter IV and part C of subchapter I of chapter 34 of Title 42, the term “institution of higher education” means an educational institution in any State that
- (1) Admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate;
 - (2) Is legally authorized within such State to provide a program of education beyond secondary education;
 - (3) Provides an educational program for which the institution awards a bachelor’s degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree;
 - (4) Is a public or other nonprofit institution; and
 - (5) Is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted preaccreditation status by such an agency or association that has been recognized by the Secretary for the granting of preaccreditation status, and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time.
- (b) Additional institutions included. For purposes of this chapter, other than subchapter IV and part C of subchapter I of chapter 34 of Title 42, the term “institution of higher education” also includes—
- (1) Any school that provides not less than a 1-year program of training to prepare students for gainful employment in a recognized occupation and that meets the provision of paragraphs (1), (2), (4), and (5) of subsection (a) of this section; and
 - (2) A public or nonprofit private educational institution in any State that, in lieu of the requirement in subsection (a)(1) of this section, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.
- (c) List of accrediting agencies. For purposes of this section and section 1002 of this title, the Secretary shall publish a list of nationally recognized accrediting agencies or associations that the Secretary determines, pursuant to subpart 2 of part G of subchapter IV of this chapter, to be reliable authority as to the quality of the education or training offered.

Definition of “Institution of Higher Education” From 20 U.S.C. 1002

- (a) Definition of institution of higher education for purposes of student assistance programs

- (1) Inclusion of additional institutions. Subject to paragraphs (2) through (4) of this subsection, the term “institution of higher education” for purposes of subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 includes, in addition to the institutions covered by the definition in section 1001 of this title—
 - (A) A proprietary institution of higher education (as defined in subsection (b) of this section);
 - (B) A postsecondary vocational institution (as defined in subsection (c) of this section); and
 - (C) Only for the purposes of part B of subchapter IV of this chapter, an institution outside the United States that is comparable to an institution of higher education as defined in section 1001 of this title and that has been approved by the Secretary for the purpose of part B of subchapter IV of this chapter.
- (2) Institutions outside the United States
 - (A) In general. For the purpose of qualifying as an institution under paragraph (1)(C), the Secretary shall establish criteria by regulation for the approval of institutions outside the United States and for the determination that such institutions are comparable to an institution of higher education as defined in section 1001 of this title (except that a graduate medical school, or a veterinary school, located outside the United States shall not be required to meet the requirements of section 1001 (a)(4) of this title). Such criteria shall include a requirement that a student attending such school outside the United States is ineligible for loans made, insured, or guaranteed under part B of subchapter IV of this chapter unless—
 - (i) In the case of a graduate medical school located outside the United States—
 - (I)(aa) At least 60 percent of those enrolled in, and at least 60 percent of the graduates of, the graduate medical school outside the United States were not persons described in section 1091(a)(5) of this title in the year preceding the year for which a student is seeking a loan under part B of subchapter IV of this chapter; and
 - (bb) At least 60 percent of the individuals who were students or graduates of the graduate medical school outside the United States or Canada (both nationals of the United States and others) taking the examinations administered by the Educational Commission for Foreign Medical Graduates received a passing score in the year preceding the year for which a student is seeking a loan under part B of subchapter IV of this chapter; or
 - (II) The institution has a clinical training program that was approved by a State as of January 1, 1992; or
 - (ii) In the case of a veterinary school located outside the United States that does not meet the requirements of section 1001(a)(4) of this title, the institution’s students complete their clinical training at an approved veterinary school located in the United States.
 - (B) Advisory panel
 - (i) In general. For the purpose of qualifying as an institution under paragraph (1)(C) of this subsection, the Secretary shall establish an advisory panel of medical experts that shall—
 - (I) Evaluate the standards of accreditation applied to applicant foreign medical schools; and
 - (II) Determine the comparability of those standards to standards for accreditation applied to United States medical schools.

- (ii) Special rule if the accreditation standards described in clause (i) are determined not to be comparable, the foreign medical school shall be required to meet the requirements of section 1001 of this title.
- (C) Failure to release information. The failure of an institution outside the United States to provide, release, or authorize release to the Secretary of such information as may be required by subparagraph (A) shall render such institution ineligible for the purpose of part B of subchapter IV of this chapter.
- (D) Special rule. If, pursuant to this paragraph, an institution loses eligibility to participate in the programs under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, then a student enrolled at such institution may, notwithstanding such loss of eligibility, continue to be eligible to receive a loan under part B while attending such institution for the academic year succeeding the academic year in which such loss of eligibility occurred.
- (3) Limitations based on course of study or enrollment. An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—
 - (A) Offers more than 50 percent of such institution’s courses by correspondence, unless the institution is an institution that meets the definition in section 2471 (4)(C) of this title;
 - (B) Enrolls 50 percent or more of the institution’s students in correspondence courses, unless the institution is an institution that meets the definition in such section, except that the Secretary, at the request of such institution, may waive the applicability of this subparagraph to such institution for good cause, as determined by the Secretary in the case of an institution of higher education that provides a 2-or 4-year program of instruction (or both) for which the institution awards an associate or baccalaureate degree, respectively;
 - (C) Has a student enrollment in which more than 25 percent of the students are incarcerated, except that the Secretary may waive the limitation contained in this subparagraph for a nonprofit institution that provides a 2-or 4-year program of instruction (or both) for which the institution awards a bachelor’s degree, or an associate’s degree or a postsecondary diploma, respectively; or
 - (D) Has a student enrollment in which more than 50 percent of the students do not have a secondary school diploma or its recognized equivalent, and does not provide a 2-or 4-year program of instruction (or both) for which the institution awards a bachelor’s degree or an associate’s degree, respectively, except that the Secretary may waive the limitation contained in this subparagraph if a nonprofit institution demonstrates to the satisfaction of the Secretary that the institution exceeds such limitation because the institution serves, through contracts with Federal, State, or local government agencies, significant numbers of students who do not have a secondary school diploma or its recognized equivalent.
- (4) Limitations based on management. An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if—
 - (A) The institution, or an affiliate of the institution that has the power, by contract or ownership interest, to direct or cause the direction of the management or policies of the institution, has filed for bankruptcy, except that this paragraph shall not apply to a nonprofit institution, the primary function of which is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution’s management or policies) that files for bankruptcy under chapter

11 of title 11 between July 1, 1998, and December 1, 1998; or

- (B) The institution, the institution's owner, or the institution's chief executive officer has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, or has been judicially determined to have committed fraud involving funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42.
- (5) Certification. The Secretary shall certify an institution's qualification as an institution of higher education in accordance with the requirements of subpart 3 of part G of subchapter IV of this chapter.
- (6) Loss of eligibility. An institution of higher education shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution is removed from eligibility for funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 as a result of an action pursuant to part G of subchapter IV of this chapter.
- (b) Proprietary institution of higher education
 - (1) Principal criteria. For the purpose of this section, the term "proprietary institution of higher education" means a school that—
 - (A) Provides an eligible program of training to prepare students for gainful employment in a recognized occupation;
 - (B) Meets the requirements of paragraphs (1) and (2) of section 1001 (a) of this title;
 - (C) Does not meet the requirement of paragraph (4) of section 1001 (a) of this title;
 - (D) Is accredited by a nationally recognized accrediting agency or association recognized by the Secretary pursuant to part G of subchapter IV of this chapter;
 - (E) Has been in existence for at least 2 years; and
 - (F) Has at least 10 percent of the school's revenues from sources that are not derived from funds provided under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, as determined in accordance with regulations prescribed by the Secretary.
 - (2) Additional institutions. The term "proprietary institution of higher education" also includes a proprietary educational institution in any State that, in lieu of the requirement in paragraph (1) of section 1001 (a) of this title, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.
- (c) Postsecondary vocational institution.
 - (1) Principal criteria. For the purpose of this section, the term "postsecondary vocational institution" means a school that—
 - (A) Provides an eligible program of training to prepare students for gainful employment in a recognized occupation;
 - (B) Meets the requirements of paragraphs (1), (2), (4), and (5) of section 1001 (a) of this title; and
 - (C) Has been in existence for at least 2 years.

(2) Additional institutions. The term “postsecondary vocational institution” also includes an educational institution in any State that, in lieu of the requirement in paragraph (1) of section 1001 (a) of this title, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.

EXHIBIT 9-1: ANNUAL INCOME FULL DEFINITION

24 CFR 5.609

(a) Annual income includes, with respect to the family:

(1) All amounts, not specifically excluded in paragraph (b) of this section, received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse of the head of household, plus unearned income by or on behalf of each dependent who is under 18 years of age, and

(2) When the value of net family assets exceeds \$50,000 (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) and the actual returns from a given asset cannot be calculated, imputed returns on the asset based on the current passbook savings rate, as determined by HUD.

(b) Annual income does not include the following:

(1) Any imputed return on an asset when net family assets total \$50,000 or less (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) and no actual income from the net family assets can be determined.

(2) The following types of trust distributions:

(i) For an irrevocable trust or a revocable trust outside the control of the family or household excluded from the definition of net family assets under § 5.603(b):

(A) Distributions of the principal or corpus of the trust; and

(B) Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.

(ii) For a revocable trust under the control of the family or household, any distributions from the trust; except that any actual income earned by the trust, regardless of whether it is distributed, shall be considered income to the family at the time it is received by the trust.

(3) Earned income of children under the 18 years of age.

(4) Payments received for the care of foster children or foster adults, or State or Tribal kinship or guardianship care payments.

(5) Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance, and workers' compensation.

(6) Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member.

(7) Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled.

(8) Income of a live-in aide, foster child, or foster adult as defined in §§ 5.403 and 5.603, respectively.

(9)

(i) Any assistance that section 479B of the Higher Education Act of 1965, as amended (20 U.S.C. 1087uu), requires be excluded from a family's income; and

(ii) Student financial assistance for tuition, books, and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and other fees required and charged to a student by an institution of higher education (as defined under Section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)) and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

(A) Student financial assistance, for purposes of this paragraph (9)(ii), means a grant or scholarship received from— (

- 1) The Federal government;
- (2) A State, Tribe, or local government;
- (3) A private foundation registered as a nonprofit under 26 U.S.C. 501(c)(3);
- (4) A business entity (such as corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, or nonprofit entity); or
- (5) An institution of higher education.

(B) Student financial assistance, for purposes of this paragraph (9)(ii), does not include—

- (1) Any assistance that is excluded pursuant to paragraph (b)(9)(i) of this section;
- (2) Financial support provided to the student in the form of a fee for services performed (e.g., a work study or teaching fellowship that is not excluded pursuant to paragraph (b)(9)(i) of this section); (
- 3) Gifts, including gifts from family or friends; or

(4) Any amount of the scholarship or grant that, either by itself or in combination with assistance excluded under this paragraph or paragraph (b)(9)(i), exceeds the actual covered costs of the student. The actual covered costs of the student are the actual costs of tuition, books and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, or other fees required and charged to a student by the education institution, and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit. This calculation is described further in paragraph (b)(9)(ii) of this section.

(C) Student financial assistance, for purposes of this paragraph (b)(9)(ii) must be:

- (1) Expressly for tuition, books, room and board, or other fees required and charged to a student by the education institution;
- (2) Expressly to assist a student with the costs of higher education; or
- (3) Expressly to assist a student who is not the head of household or spouse with the reasonable and actual costs of housing while attending the education institution and not residing in an assisted unit.

(D) Student financial assistance, for purposes of this paragraph (b)(9)(ii), may be paid directly to the student or to the educational institution on the student's behalf. Student financial assistance paid to the student must be verified by the responsible entity as student financial assistance consistent with this paragraph (b)(9)(ii).

(E) When the student is also receiving assistance excluded under paragraph (b)(9)(i) of this section, the amount of student financial assistance under this paragraph (b)(9)(ii) is determined as follows:

(1) If the amount of assistance excluded under paragraph (b)(9)(i) of this section is equal to or exceeds the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section, none of the assistance described in this paragraph (b)(9)(ii) of this section is considered student financial assistance excluded from income under this paragraph (b)(9)(ii)(E).

(2) If the amount of assistance excluded under paragraph (b)(9)(i) of this section is less than the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section, the amount of assistance described in paragraph (b)(9)(ii) of this section that is considered student financial assistance excluded under this paragraph is the lower of:

(i) the total amount of student financial assistance received under this paragraph (b)(9)(ii) of this section, or

(ii) the amount by which the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section exceeds the assistance excluded under paragraph (b)(9)(i) of this section.

(10) Income and distributions from any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under section 529 of such Code; and income earned by government contributions to, and distributions from, “baby bond” accounts created, authorized, or funded by Federal, State, or local government.

(11) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

(12)

(i) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

(ii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (e.g., special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

(iii) Amounts received under a resident service stipend not to exceed \$200 per month. A resident service stipend is a modest amount received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development.

(iv) Incremental earnings and benefits resulting to any family member from participation in training programs funded by HUD or in qualifying Federal, State, Tribal, or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program unless those amounts are excluded under paragraph (b)(9)(i) of this section.

(13) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.

(14) Earned income of dependent fulltime students in excess of the amount of the deduction for a dependent in § 5.611.

(15) Adoption assistance payments for a child in excess of the amount of the deduction for a dependent in § 5.611.

(16) Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.

(17) Payments related to aid and attendance under 38 U.S.C. 1521 to veterans in need of regular aid and attendance.

(18) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit.

(19) Payments made by or authorized by a State Medicaid agency (including through a managed care entity) or other State or Federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit. Authorized payments may include payments to a member of the assisted family through the State Medicaid agency (including through a managed care entity) or other State or Federal agency for caregiving services the family member provides to enable a family member who has a disability to reside in the family's assisted unit.

(20) Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g., proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car).

(21) Payments received by Tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such payments are also excluded from gross income under the Internal Revenue Code or other Federal law.

(22) Amounts that HUD is required by Federal statute to exclude from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in paragraph (b) of this section apply. HUD will publish a notice in the Federal Register to identify the benefits that qualify for this exclusion. Updates will be published when necessary.

(23) Replacement housing "gap" payments made in accordance with 49 CFR part 24 that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to another Federally subsidized housing unit. Such replacement housing "gap" payments are not excluded from annual income if the increased cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing "gap" payments.

(24) Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under this paragraph, even if the source, date, or amount of the income varies. Nonrecurring income includes:

(i) Payments from the U.S. Census Bureau for employment (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not culminating in permanent employment.

(ii) Direct Federal or State payments intended for economic stimulus or recovery.

(iii) Amounts directly received by the family as a result of State refundable tax credits or State tax refunds at the time they are received.

(iv) Amounts directly received by the family as a result of Federal refundable tax credits and Federal tax refunds at the time they are received.

(v) Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding gifts, baby showers, anniversaries).

(vi) Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization.

(vii) Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings.

(25) Civil rights settlements or judgments, including settlements or judgments for back pay.

(26) Income received from any account under a retirement plan recognized as such by the Internal Revenue Service, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals; except that any distribution of periodic payments from such

accounts shall be income at the time they are received by the family.

(27) Income earned on amounts placed in a family's Family Self Sufficiency Account.

(28) Gross income a family member receives through self-employment or operation of a business; except that the following shall be considered income to a family member:

(i) Net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations; and

(ii) Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.

EXHIBIT 9-2: TREATMENT OF FAMILY ASSETS

24 CFR 5.603(b) Net Family Assets

(1) Net family assets is the net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investment.

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

(3) Excluded from the calculation of net family assets are: (i) The value of necessary items of personal property; (ii) The combined value of all nonnecessary items of personal property if the combined total value does not exceed \$50,000 (which amount will be adjusted by HUD in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers); (iii) The value of any account under a retirement plan recognized as such by the Internal Revenue Service, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals; (iv) The value of real

property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located; (v) Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a family member being a person with a disability; (vi) The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986, the value of any qualified tuition program under section 529 of such Code, the value of any Achieving a Better Life Experience (ABLE) account authorized under Section 529A of such Code, and the value of any "baby bond" account created, authorized, or funded by Federal, State, or local government. (vii) Interests in Indian trust land; (viii) Equity in a manufactured home where the family receives assistance under 24 CFR part 982; (ix) Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR part 982; (x) Family Self-Sufficiency Accounts; and (xi) Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family.

(4) In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the trust fund is not a family asset and the value of the trust is not included in the calculation of net family assets, so long as the fund continues to be held in a trust that is not revocable by, or under the control of, any member of the family or household.

EXHIBIT 9-3: THE EFFECT OF WELFARE BENEFIT REDUCTION

24 CFR 5.615

Public housing program and Section 8 tenant-based assistance program: How welfare benefit reduction affects family income.

(a) Applicability. This section applies to covered families who reside in public housing (part 960 of this title) or receive Section 8 tenant-based assistance (part 982 of this title).

(b) Definitions. The following definitions apply for purposes of this section:

Covered families. Families who receive welfare assistance or other public assistance benefits (“welfare benefits”) from a State or other public agency (“welfare agency”) under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

Economic self-sufficiency program. See definition at Sec. 5.603.

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

Specified welfare benefit reduction.

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

(2) “Specified welfare benefit reduction” does not include a reduction or termination of welfare benefits by the welfare agency:

(i) at expiration of a lifetime or other time limit on the payment of welfare benefits;

(ii) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

(iii) because a family member has not complied with other welfare agency requirements.

(c) Imputed welfare income.

(1) A family's annual income includes the amount of imputed welfare income (because of a specified welfare benefits reduction, as specified in notice to the PHA by the welfare agency), plus the total amount of other annual income as determined in accordance with Sec. 5.609.

(2) At the request of the PHA, the welfare agency will inform the PHA in writing of the amount and term of any specified welfare benefit reduction for a family member, and the reason for such reduction, and will also inform the PHA of any subsequent changes in the term or amount of such specified welfare benefit reduction. The PHA will use this information to determine the amount of imputed welfare income for a family.

(3) A family's annual income includes imputed welfare income in family annual income, as determined at the PHA's interim or regular reexamination of family income and composition, during the term of the welfare benefits reduction (as specified in information provided to the PHA by the welfare agency).

(4) The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed

(5) The PHA may not include imputed welfare income in annual income if the family was not an assisted resident at the time of sanction.

(d) Review of PHA decision.

(1) Public housing. If a public housing tenant claims that the PHA has not correctly calculated the amount of imputed welfare income in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the tenant written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. The PHA notice shall also state that if the tenant does not agree with the PHA determination, the tenant may request a grievance hearing in accordance with part 966, subpart B of this title to review the PHA determination. The tenant is not required to pay an escrow deposit pursuant to Sec. 966.55(e) for the portion of tenant rent attributable to the imputed welfare income in order to obtain a grievance hearing on the PHA determination.

(2) Section 8 participant. A participant in the Section 8 tenant-based assistance program may request an informal hearing, in accordance with Sec. 982.555 of this title, to review the PHA determination of the amount of imputed welfare income that must be included in the family's annual income in accordance with this section. If the family claims that such amount is not correctly calculated in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the family written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. Such notice shall also state that if the family does not agree with the PHA determination, the family may request an informal hearing on the determination under the PHA hearing procedure.

(e) PHA relation with welfare agency.

(1) The PHA must ask welfare agencies to inform the PHA of any specified welfare benefits reduction for a family member, the reason for such reduction, the term of any such reduction, and any subsequent welfare agency determination affecting the amount or term of a specified welfare benefits reduction. If the welfare agency determines a specified welfare benefits reduction for a family member, and gives the PHA written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.

(2) The PHA is responsible for determining the amount of imputed welfare income that is included in the family's annual income as a result of a specified welfare benefits reduction as determined by the welfare agency, and specified in the notice by the welfare agency to the PHA. However, the PHA is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or hearing on such welfare agency determinations.

(3) Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. The PHA shall be entitled to rely on the welfare agency notice to the PHA of the welfare agency's determination of a specified welfare benefits reduction.

**EXHIBIT 11-1: SUMMARY OF DOCUMENTATION REQUIREMENTS
FOR NONCITIZENS I**

- All noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to the PHA.
- Except for persons 62 or older, all noncitizens must sign a verification consent form
- Additional documents are required based upon the person's status.

Elderly Noncitizens

- A person 62 years of age or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport, or documents showing receipt of SS old-age benefits.

All other Noncitizens

- Noncitizens that claim eligible immigration status also must present the applicable USCIS document. Acceptable USCIS documents are listed below.

- Form I-551 Alien Registration Receipt Card (for permanent resident aliens)
- Form I-94 Arrival-Departure Record annotated with one of the following:
 - “Admitted as a Refugee Pursuant to Section 207”
 - “Section 208” or “Asylum”
 - “Section 243(h)” or “Deportation stayed by Attorney General”
 - “Paroled Pursuant to Section 221 (d)(5) of the USCIS”

- Form I-94 Arrival-Departure Record with no annotation accompanied by:
 - A final court decision granting asylum (but only if no appeal is taken);
 - A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90);
 - A court decision granting withholding of deportation; or
 - A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90).

- Form I-688 Temporary Resident Card annotated “Section 245A” or Section 210”.

- Form I-688B Employment Authorization Card annotated “Provision of Law 274a. 12(11)” or “Provision of Law 274a.12”.

- A receipt issued by the USCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant’s entitlement to the document has been verified; or
- Other acceptable evidence. If other documents are determined by the USCIS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the *Federal Register*

BAYONNE HOUSING AUTHORITY

HUD INCOME LIMITS FY 2024

EFFECTIVE April 1, 2024

H/H SIZE	1	2	3	4	5	6	7	8
30%	28,150	32,150	36,150	40,150	43,400	46,600	49,800	53,000
VERY LOW (50%)	46,850	53,550	60,250	66,900	72,300	77,650	83,000	88,350
LOW (80%)	74,900	85,600	96,300	107,000	115,600	124,150	132,700	141,250

* **Section 8 Housing Choice Voucher** Program uses "VERY LOW" income limits

* **Public Housing** Program uses "LOW" income limits

04/01/2024

HOUSING AUTHORITY OF THE CITY OF BAYONNE

THE NON-DISCRIMINATION AND REASONABLE ACCOMMODATIONS POLICY WITH REGARD TO PERSONS WITH DISABILITIES PARTICIPATING IN THE PUBLIC HOUSING AND/OR SECTION 8 HOUSING CHOICE VOUCHER PROGRAMS ADMINISTERED BY THIS HOUSING AUTHORITY IS AS FOLLOWS:

INTRODUCTION

The Federal Fair Housing Act (the Act), Section 504 of the Rehabilitation Act of 1973 (Section 504) and the Americans with Disabilities Act of 1990 (ADA) cover the rights of persons with disabilities.

The Federal Fair Housing Act (Act) makes it unlawful to refuse to make reasonable accommodations to rules, policies, practices, or services when such accommodations may be necessary to afford persons with disabilities an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Since rules, policies, practices, and services may have a different effect on persons with disabilities than on other persons, treating persons with disabilities the same as others will sometimes deny them an equal opportunity to use and enjoy a dwelling.

Section 504 of the Rehabilitation Act of 1973 (Section 504) prohibits discrimination on the basis of disability in programs or activities that receive Federal financial assistance. Specifically, it states that “No otherwise qualified individual with disability in the United States shall solely by reason of his or her disability, be excluded from the participation in be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance...” Section 504 mandates that recipients of Federal funds designate a Section 504 coordinator to ensure compliance with Section 504 requirements. The Housing Authority of the City of Bayonne (the Authority) receives Federal funds.

Therefore, the Authority has designated Hernan Bracero as the Section 504 Coordinator. Hernan Bracero may be reached at hbracero@bayonneha.org. 549 Avenue A, Bayonne NJ 07002, phone 201-339-8700 Ext. 1035, fax 201-436-0990. Accessibility for the hearing impaired is provided by the TTY/TTD telephone number 201-339-5283. The National TTD Line is 711.

The ADA prohibits discrimination on the basis of disability by public entities. Specifically, it states “No qualified individual with a disability shall, on the basis of disability, be excluded from participation in or be denied the benefits of the services, programs, or activities of a public entity, or be subjected to discrimination by any public entity...”

To show that a requested accommodation may be necessary, there must be an identifiable relationship, or nexus, between the requested accommodation and the individual’s disability.

The Act, Section 504, and the ADA require Public Housing and Section 8 agencies to affirmatively ensure that people with disabilities are given an equal opportunity to participate in the programs administered by the Authority. HUD's Section 504 regulations, which are contained in 24 C.F.R. § 8, provide a more detailed explanation of Public Housing and Section 8 responsibilities. The regulation requires that a qualified person with a disability:

- a. Must meet the essential eligibility requirements for Public Housing and Section 8 assistance; and
- b. Must be afforded an opportunity equal to that afforded to others; and/or
- c. Must be provided housing or benefits afforded to others; and/or
- d. May not be provided different or separate housing or benefits unless necessary to provide the person with a disability with housing or benefits that are as effective as those provided to others.

The Federal law regarding disabled persons is designed to afford people with disabilities an "equal opportunity to obtain the same result, to gain the same benefit or to reach the same level of achievement" as those who do not have disabilities.

The Authority is obligated to administer its Public Housing and Section 8 Program in the most integrated setting possible that is appropriate to the needs of qualified individuals rather than to separate the individual from the general population.

A participant with a disability must ask for an accommodation of the disability before the Authority treats him/her differently. A reasonable accommodation request can be made orally or in writing or may be reduced to writing by a staff member from the BHA. However, it is extremely helpful for both the requestor and the Authority if the request for the reasonable accommodation is made in writing. The Authority will consider the request for a reasonable accommodation even if the individual does not utilize the agency's forms or procedures for making the request. Requests for reasonable accommodation from a person with a disability will be granted when the Authority has determined that granting the accommodation would be consistent with HUD policies and pertinent Federal, State and local regulations. The Authority will review all requests for a Reasonable Accommodation on a case by case basis and there is no limit to the number of Reasonable Accommodation requests an individual can make.

- 1) **A person with disabilities is defined as:** Individuals with a physical or mental impairment that substantially limits one or more major life activities of such individual; a record of such an impairment; or being regarded as having such an impairment.
- 2) **Physical or mental impairment means:**
 - (i) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more body systems, such as: neurological, musculoskeletal, special sense organs, respiratory (including speech organs), cardiovascular, reproductive, digestive, genitourinary, immune, circulatory, hemic, lymphatic, skin, and endocrine; or

- (ii) Any mental or psychological disorder such as intellectual disability, organic brain syndrome, emotional or mental illness, and specific learning disability.
 - (iii) Or any other disability not expressly mentioned herein, but covered under applicable regulations: 24 CFR Parts 8 & 100 as well as 28 CFR Part 35.
- 3) **Physical or mental impairment** includes, but is not limited to, contagious and noncontagious diseases and conditions such as the following: orthopedic, visual, speech and hearing impairments, and cerebral palsy, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, intellectual disability, emotional illness, dyslexia and other specific learning disabilities, Attention Deficit Hyperactivity Disorder, Human Immunodeficiency Virus infection (whether symptomatic or asymptomatic), tuberculosis, drug addiction, and alcoholism. ***Physical or mental impairment does not include homosexuality or bisexuality.***
- 4) **Major life activities** include, but are not limited to:
- (i) Caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, sitting, reaching, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, writing, communicating, interacting with others, and working; and
 - (ii) The operation of a ***major bodily function***, such as the functions of the immune system, special sense organs and skin, normal cell growth, and digestive, genitourinary, bowel, bladder, neurological, brain, respiratory, circulatory, cardiovascular, endocrine, hemic, lymphatic, musculoskeletal, and reproductive systems. The operation of a major bodily function includes the operation of an individual organ within a body system.
1. **Substantially limits.**
- (i) The term “substantially limits” shall be construed broadly in favor of expansive coverage, to the maximum extent permitted by the terms of the ADA. “Substantially limits” is not meant to be a demanding standard.
 - (ii) The primary object of attention in cases brought under title II of the ADA should be whether public entities have complied with their obligations and whether discrimination has occurred, not the extent to which an individual’s impairment substantially limits a major life activity. Accordingly, the threshold issue of whether an impairment substantially limits a major life activity should not demand extensive analysis.
 - (iii) An impairment that substantially limits one major life activity does not need to limit other major life activities in order to be considered a substantially limiting impairment.

- (iv) An impairment that is episodic or in remission is a disability if it would substantially limit a major life activity when active.
- (v) An impairment is a disability within the meaning of this part if it substantially limits the ability of an individual to perform a major life activity as compared to most people in the general population. An impairment does not need to prevent, or significantly or severely restrict, the individual from performing a major life activity in order to be considered substantially limiting. Nonetheless, not every impairment will constitute a disability within the meaning of this section.
- (vi) The determination of whether an impairment substantially limits a major life activity requires an individualized assessment. However, in making this assessment, the term “substantially limits” shall be interpreted and applied to require a degree of functional limitation that is lower than the standard for substantially limits applied prior to the ADA Amendments Act.
- (vii) The comparison of an individual’s performance of a major life activity to the performance of the same major life activity by most people in the general population usually will not require scientific, medical, or statistical evidence. Nothing in this paragraph is intended, however, to prohibit or limit the presentation of scientific, medical, or statistical evidence in making such a comparison where appropriate.
- (viii) The determination of whether an impairment substantially limits a major life activity shall be made without regard to the ameliorative effects of mitigating measures. However, the ameliorative effects of ordinary eyeglasses or contact lenses shall be considered in determining whether an impairment substantially limits a major life activity. Ordinary eyeglasses or contact lenses are lenses that are intended to fully correct visual acuity or to eliminate refractive error.
- (ix) “The six-month “transitory” part of the “transitory and minor” exception in paragraph (f)(2) of this section does not apply to the “actual disability” or “record of” prongs of the definition of “disability.” The effects of an impairment lasting or expected to last less than six months can be substantially limiting within the meaning of this section for establishing an actual disability or a record of disability.

No individual shall be considered to be a person with disabilities for purposes of housing assistance eligibility solely based on the current, illegal use of or addiction to controlled substances (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

ACCOMMODATIONS POLICY

Sometimes, people with disabilities may need a reasonable accommodation in order to take full advantage of the Authority’s programs and related services. When such

accommodations are granted, they make the program accessible to them in a way that would otherwise not be possible due to their disability. This policy clarifies how people can request accommodations and the guidelines the Authority will follow in determining whether it is reasonable to provide a requested accommodation. Because disabilities are not always apparent, the Authority will ensure that all applicants/tenants are aware of the opportunity to request reasonable accommodations.

This policy is applicable to all Authority situations described in the Authority's Public Housing Admissions and Continued Occupancy Policy and the Section 8 Administrative Plan when a family initiates contact with the Authority, when the Authority initiates contact with a family, including when a family applies, and when the Authority schedules or reschedules appointments of any kind.

The Authority's operating policies and practices will be designed to provide assurances that all persons with disabilities will be provided reasonable accommodation so that they may fully access and utilize the housing programs and related services. Except as otherwise provided in 24 CFR. § 8, no individual with disabilities shall be denied the benefits of, be excluded from participation or otherwise be subjected to discrimination because the Authority facilities are inaccessible to or unusable by persons with disabilities.

The Authority is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TTD/TDY telephone number and by the National TTD Line. The phone number is local number is 201-339-5283. The National TTD Line is 711. The Authority will make written communications available using the appropriate auxiliary aids if requested by an individual with disabilities.

Notifications of reexamination, inspection, appointment, termination of assistance or eviction will include information about requesting a reasonable accommodation. Any notification requesting action by a Public Housing tenant or Section 8 participant will include information about requesting a reasonable accommodation.

A disabled applicant or tenant may request a reasonable accommodation at any time in the application process or at any time they need an accommodation.

The Authority is entitled to obtain information that is necessary to evaluate if a requested reasonable accommodation may be necessary because of a disability. If a person's disability is obvious or otherwise known, and if the need for the requested accommodation is also readily apparent or known, then the Authority cannot ask for any more information.

If the requester's disability is known or obvious, to the provider, but the need for the accommodation is not, the provider may request only information that is necessary to evaluate the need for accommodation.

If neither the disability nor the need for accommodation is readily apparent, the Authority may request verification to determine the nexus between the person's disability and the requested accommodation. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about

the individual's disability may also provide verification of a disability. An individual's medical records or detailed information about the nature of a person's disability is not necessary for this inquiry. Proof of receipt of government benefits may be used as verification of a disability (e.g. Social Security Disability Income).

Once the Authority has established that a person meets the Act, Section 504 and/or the ADA's definition of disability, the Authority's request for documentation should seek only the information that is necessary to evaluate if the reasonable accommodation is needed because of a disability. Such information must be kept confidential and must not be shared with other persons unless they need the information to make or assess a decision to grant or deny a reasonable accommodation request or unless disclosure is required by law (e.g., a court-issued subpoena requiring disclosure).

EXAMPLES OF REASONABLE ACCOMMODATIONS

The following are examples of reasonable accommodations: it is not intended to be an exclusive list:

- A. If a person with disabilities is unable to come to the office due to a disability, an Authority staff member may upon request:
 - 1. Reschedule the interview to accommodate the family's needs;
 - 2. Conduct the interview by phone and mail the documents to the family for signature;
 - 3. Schedule a non-office visit, such as a hospital or home visit.

- B. If a person with disabilities has difficulty understanding or filling out forms, staff shall assist the individual with filling out Reasonable Accommodation forms if requested and advise the person with disabilities that he or she may bring someone with him or her to assist in the interview or otherwise delegate someone to act on their behalf.

- C. If a person with disabilities has a hearing impairment, the Authority shall provide, the auxiliary aid(s) and services that the person may request (e.g. note taker, video text display, sign language interpreter, etc.).

- D. If a person with disabilities has a vision impairment, if requested, the Authority shall:
 - 1. Assist as a reader in completing forms;
 - 2. Provide alternate format materials or any auxiliary aid(s) that the person may request (e.g. larger font).

- E. Reissue or extend a voucher so that the family can locate a unit that has necessary accessibility features and go beyond the payment standards as necessary.

The Authority's 504 Coordinator will review thoroughly each request for reasonable accommodation(s) and make a decision regarding the approval or denial of same. Such decision, and the reason(s) for same, shall be transmitted, in writing, to the applicant/resident within the time period that follows receipt of the request that follows:

1. Twenty-four (24) hours for requests related to life safety;
2. Five (5) to ten (10) calendar days for most other requests;
3. To a maximum of thirty (30) calendar days.

All decisions granting or denying requests for reasonable accommodations will be made in writing, unless an alternative method is required due to a visual impairment (such as an email notification of the decision in a text-to-speech reader format. Throughout the entire process, the Authority shall engage in an interactive process with the requestor to explore any alternative accommodations that meet the disability related needs of the requestor.

Generally, the individual knows best what it is that they need. However, the Authority retains the right to ask how the requested accommodation enables the individual to access or use the Authority's programs or services if it is not obvious. There must be a connection or link between the stated disability and the accommodation requested.

No Documentation of Need for a Reasonable Accommodation

1. No documentation of disability and need for an accommodation may be requested of an individual with disabilities, if all of the following exist:
 - a. The individual has an obvious and/or visible disability (such as an individual who regularly uses a wheelchair or an individual with a hearing impairment); and
 - b. The accommodation requested is clearly related to the individual's disability (for example, a mobility-impaired person requests a grab bar or a hearing-impaired person requests a sign language interpreter);
 - c. Documentation has already been submitted and is in the file.
2. The Request for Reasonable Accommodation need not be in writing. However, a written request must be signed and dated by the person needing the accommodation. Unless the request is being made on behalf of a minor who lacks legal capacity. In such cases the form must be signed and dated by the parent, guardian, conservator, or attorney in fact who holds an appropriate power of attorney or any other person who represents the disabled person.
3. If the Authority cannot ascertain whether or not the requested accommodation is related to the disability, the individual will be informed that third-party verification of need for the accommodation requested is required.

The Authority will bear the burden of any necessary costs to carry out approved requests including requests for reasonable modifications.

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability.

The Authority may deny a request for a reasonable accommodation if it would impose an

undue financial and administrative burden or if it would fundamentally alter the nature of the Authority's housing program. The determination of undue financial and administrative burden must be made on a case-by-case basis involving various factors, such as:

- a) The cost of the requested accommodation,
- b) The financial resources of the Authority
- c) The benefits that the accommodation would provide to the requester, and
- d) The availability of alternative accommodations that would effectively meet the requestor's disability-related needs.

Prior to denying a reasonable accommodation request for undue financial and administrative burden, the Authority must engage in an interactive process with the requester to discuss alternative accommodations to meet the requester's needs without causing undue burden. However, HUD FHEO retains the Authority to determine if an undue financial and administrative burden is met.

If a request for reasonable accommodation is approved, and a transfer is required, the individual's name will be placed on a transfer waiting list if no appropriate unit is available. Prior to wait list placement, however, the Authority will have performed the following review: (1) evaluate 504 accessible units to ensure that existing occupants have a disabling need for the accessibility features of such unit, and (2) verify ground-level units to ensure that none of its occupant families require relocation do to over-housing or under-housing occupancy issues. Transfers approved as reasonable accommodations will be placed above other regular transfer requests on the waiting list.

REASONS FOR DENIAL

An individual's refusal to sign and/or submit any/all forms pertaining to their request will not be grounds for denial or a request. However, alternative verification may be necessary.

All tenants and applicants always have the right to file a complaint with the US Department of Housing and Urban Development (HUD) at any time. A complaint can be filed with HUD by calling 800-496-4294 or TTY (212) 264-0927, visiting the following website https://www.hud.gov/program_offices/fair_housing_equal_opp/online-complaint, sending a fax to (212) 264-9829 or e-mailing Complaints_office_02@hud.gov.

HOUSING AUTHORITY OF THE CITY OF BAYONNE
REASONABLE ACCOMMODATION REQUEST
(USE OF THIS FORM IS OPTIONAL)

Please Circle: Applicant Resident HCVP("Section 8")

Name: _____

Address: _____

Phone: _____ Date: _____

If additional space is needed, please use a separate sheet

1. Name of Applicant/Participant/Resident who requires a Reasonable Accommodation:

2. Please state specifically what reasonable accommodation(s) is/are being sought:

3. Please explain how this accommodation will alleviate symptoms or help the person with the disability to have equal opportunity to use and enjoy a dwelling, including public and common use spaces:

4. If the disability is not obvious, the Authority may need additional information. To show that a requested accommodation may be necessary, there must be an identifiable relationship, or nexus, between the requested accommodation and the individual's disability. If this is the case, the Authority will notify the requester what additional information is needed to verify the nexus between the disability and/or the need for the accommodation.

Applicant/Participant/Tenant Signature

Date

Staff Signature (If completed by Staff Member)

Date

HOUSING AUTHORITY OF THE CITY OF BAYONNE
REASONABLE ACCOMMODATION THIRD PARTY REQUEST

Please complete this form as soon as possible. If you have any questions, please contact Mr. Hernan Bracero at hbracero@bayonneha.org or 201-339-8700, between the business hours of 9:00AM and 4:30 PM, Monday through Friday. The referenced individual has identified you as a person who can verify his/her need for a reasonable accommodation, based upon disability. **(NOTE: Do not send medical records or include any details which disclose the nature or severity of the disability.)**

A person with disabilities is defined as: Individuals with a physical or mental impairment that substantially limits one or more major life activities of such individual.

1. *Physical or mental impairment* means:

(i) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more body systems, such as: neurological, musculoskeletal, special sense organs, respiratory (including speech organs), cardiovascular, reproductive, digestive, genitourinary, immune, circulatory, hemic, lymphatic, skin, and endocrine; or

(ii) Any mental or psychological disorder such as intellectual disability, organic brain syndrome, emotional or mental illness, and specific learning disability.

2. *Physical or mental impairment* includes, but is not limited to, contagious and noncontagious diseases and conditions such as the following: orthopedic, visual, speech and hearing impairments, and cerebral palsy, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, intellectual disability, emotional illness, dyslexia and other specific learning disabilities, Attention Deficit Hyperactivity Disorder, Human Immunodeficiency Virus infection (whether symptomatic or asymptomatic), tuberculosis, drug addiction, and alcoholism.

3. *Physical or mental impairment* does not include homosexuality or bisexuality.

4. *Major life activities* include, but are not limited to:

(i) Caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, sitting, reaching, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, writing, communicating, interacting with others, and working; and

(ii) The operation of a *major bodily function*, such as the functions of the immune system, special sense organs and skin, normal cell growth, and digestive, genitourinary, bowel, bladder, neurological, brain, respiratory, circulatory, cardiovascular, endocrine, hemic, lymphatic, musculoskeletal, and reproductive systems. The operation of a major bodily function includes the operation of an individual organ within a body system.

5. *Substantially limits* means:

(i) The term “substantially limits” shall be construed broadly in favor of expansive coverage, to the maximum extent permitted by the terms of the ADA. “Substantially limits” is not meant to be a demanding standard.

(ii) An impairment that substantially limits one major life activity does not need to limit other major life activities in order to be considered a substantially limiting impairment.

(iii) An impairment that is episodic or in remission is a disability if it would substantially limit a major life activity when active.

(iv) An impairment is a disability within the meaning of this part if it substantially limits the ability of an individual to perform a major life activity as compared to most people in the general population. An

impairment does not need to prevent, or significantly or severely restrict, the individual from performing a major life activity in order to be considered substantially limiting. Nonetheless, not every impairment will constitute a disability within the meaning of this section.

(v)The comparison of an individual’s performance of a major life activity to the performance of the same major life activity by most people in the general population usually will not require scientific, medical, or statistical evidence.

No individual shall be considered to be a person with disabilities for purposes of housing assistance eligibility solely based on the current, illegal use of or addiction to controlled substances (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

1. Person with need for a reasonable accommodation: _____

2. Explain if this Person is Disabled, as defined above:

3. What specific reasonable accommodation would this person need to enjoy equal access to the Housing Authority’s Programs?

Name: _____ Title: _____

Address: _____

Signature/ Date

Staff Signature /Date (If completed by Staff Member)

BAYONNE HOUSING AUTHORITY
MAINTENANCE CHARGES

	On- Duty Hours	Off-Duty Hours
Lock Outs	\$25.00	\$60.00
Blocked Toilet	\$25.00	\$60.00
Damage caused by blocked toilet will be charged at cost, if applicable, in addition to labor charge	\$25.00	\$60.00
Toilet Replacement	\$75.00	\$143.00
Toilet Seat	\$15.00	
Light Fixtures (incandescent)	\$20.00	\$26.23
Light Fixture Cover (incandescent)	\$5.00	\$15.00
Fluorescent Fixture (2 bulb)	\$60.00	
Fluorescent Fixture (4 bulb)	\$100.00	
Fluorescent Fixture Cover	\$40.00 - \$60.00	\$70.00
Light Bulbs	\$2.00	
Fluorescent Bulbs	\$5.00	
Smoke Detector Battery	\$14.67	
Dual Smoke/CO2 Combo Detector w/battery backup	\$55.00	\$42.53
Mailbox Lock	\$20.00	
Apartment Front Door Replacement	\$1600	
Apartment Door Lock Replacement	\$125.00 - \$150.00	
Apartment Lock Core Cylinder	\$45.00	
Apartment Door Passage set	\$150.00	
Apartment Door Viewer	\$30.00	
Tampering with the Building Entrance Door	\$25.00	
Refrigerator	\$465.00	\$611.15
Stove: 20"	\$338.00	\$563.20
24"	\$475.00	\$749.00
30"	\$350.00	\$424.15
Electric	\$309.00	\$640.00
Stove Burner Cleaning	\$10.00	
Kitchen Countertops	\$250 - \$500	
Bathroom Sink Replacement	\$150.00	
Re-hang Bathroom Sink	\$50.00 + parts	
Medicine Cabinet Replacement	\$30.00	\$100.29
Towel Bar	\$12.00	
Soap/Tooth Brush Holder	\$5.00 each	
Toilet Paper Holder	\$5.00	
Interior Door Replacement	\$45.00	

Interior Door Lock/Passage	\$20.00	
Vanity/Sink replacement (BVM only)	\$407.82	
Window Glass Replacement	\$60.00 per glass	
Window Screen with Frame	\$25.00 to \$50.00 per screen	
Window Screen	\$15.00	
Complete Window with Frame	\$350.00	
Key Fob Replacement	\$25.00	
Apartment Key Replacement	\$4.00 each	
Mailbox Key Replacement	\$5.00	
Garbage Removal	\$25.00	
Removal of Items Left in Apt. upon Vacating	\$15 - \$50/hr	
False Emergency Service Calls	\$60	
Retrieval of items in elevator pit	\$25.00	\$25.00

ALL PRICES INCLUDE MATERIAL AND LABOR

HOUSING AUTHORITY OF THE CITY OF BAYONNE

DRUG ABUSE AND OTHER CRIMINAL ACTIVITY POLICY

A. APPLICANT CONDUCT

1. Any applicant for admission to Public Housing, in accordance with the Housing Opportunity Program Extension Act, that has been evicted from Public Housing or any Section 8 Rental Assistance Programs for drug-related criminal activity is ineligible for admission to any Public Housing and Section 8 Rental Assistance Programs for a (3) three-year period, beginning from the date of eviction. The evicted family becomes eligible for readmission, however, if the individual who engaged in the activity has successfully completed a rehabilitation program approved by the Housing Authority of the City of Bayonne (the "Authority") or if the Authority determines that the circumstances leading to the eviction no longer exist.
2. Any sex offenders who are subject to a lifetime registration requirement under a State Sex Offenders' Registration Program will be denied admission permanently to Public Housing or any Section 8 Rental Assistance Programs.
3. Any persons convicted of manufacturing or producing methamphetamine are ineligible permanently for admission to Public Housing and any other Section 8 assisted housing.
4. The Authority may prohibit admission of a household to federally-assisted housing if it has been determined that any household member is currently engaging in, or has engaged in:
 - a. Drug related criminal activity;
 - b. Violent criminal activity (defined as any criminal activity that has one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause or be reasonably likely to cause serious bodily injury or property damage;
 - c. Other criminal activity that would threaten the health, safety, or right to peaceful enjoyment of the premises by other residents; or
 - d. Other criminal activity that would threaten the health or safety of any Authority employee, contractor, subcontractor or agent of the Authority.

B. TENANT CONDUCT

1. Any criminal activity, on or off the Authority's premises, that threatens the health, safety or right to peaceful enjoyment of the premises by other tenants or Authority employees is cause for eviction. Premises is defined as the building or complex or development in which the public or assisted housing dwelling unit is located including common areas and grounds.
2. Any drug related criminal activity, is cause for eviction, whether on or off the Authority's premises, or any activity by a tenant in which the Authority determines that a tenant is illegally using a controlled substance is cause for eviction.
3. A tenancy may be terminated and the household evicted when a covered person engages in any criminal activity described above. A "covered person" is an umbrella term including, in addition to the tenant, guests, members of the tenant's household and other persons under the tenant's control. In this context, a "guest" means anyone staying in the unit with the permission of the tenant or another household member with the authority to give such permission. "Other persons under tenant's control" means a short term invitee who is not "staying" in the unit. Such a person is only under the tenant's control during the period of invitation and the person is on the premises because of that invitation.
4. In accordance with P.L. 104-120, the Authority prohibits continued occupancy in any public housing dwelling unit for any person whom the Authority determines is illegally using a controlled substance. The Authority shall terminate the tenancy of any low-income tenant:
 - a. Who is determined to be illegally using a controlled substance;
 - b. Who abuses alcohol (or engages in a pattern of abuse) or a controlled substance (or engages in illegal use or pattern of illegal use) when the Authority reasonably believes such use or pattern of abuse, may interfere with the health, safety or right to peaceful enjoyment of the Authority's public housing premises by other tenants or employees of the Authority;
 - c. Who willfully allows the leased unit to be used to store, manufacture, distribute or facilitate the use of illegal narcotics;
 - d. Who is convicted of producing methamphetamine in a building or complex assisted under the Public Housing or any Section 8 Rental Assistance Program and administered by the Authority;
 - e. Any public housing tenant or any Section 8 housing recipient who is fleeing to avoid prosecution or custody or confinement after conviction, for a felony (or a high misdemeanor in New Jersey); or

B. TENANT CONDUCT (Continued)

- f. Any public housing tenant or any Section 8 housing recipient who is violating a condition of probation or parole imposed under federal or state law;
 - g. The Authority will provide to federal, state or local law enforcement officials information concerning assisted recipients whom the officials are pursuing for violating parole or fleeing to avoid prosecution.
5. All tenants must assure that the tenant, any member of the tenant's "household" (household is defined as the family and Authority approved live-in-aide if applicable) guest or other person(s) under the tenant's control which means that the person, although not staying as a guest in the unit, is, or was at the time of the activity in question, on the premises shall:
- a. Not engage in any criminal activity, on or off the Authority's premises, that threatens the health, safety or right to peaceful enjoyment of the premises by other tenants or Authority employees. Premises is defined as the building or complex or development in which the public or assisted housing dwelling unit is located including common areas and grounds;
 - b. Not engage in any drug-related criminal activity, (drug-related criminal activity means the illegal manufacture, sale, distribution or lease of a drug or the possession of a drug with intent to manufacture, sell, distribute or use the drug) is cause for eviction, whether on or off the Authority's premises, or any activity by a tenant in which the Authority determines that a tenant is illegally using a controlled substance is cause for eviction;
 - c. Not abuse alcohol (or engage in a pattern of abuse) or a controlled substance (or engage in illegal use or pattern of illegal use) when the Authority reasonably believes such use or pattern of abuse, may interfere with the health, safety or right to peaceful enjoyment of the Authority's public housing premises by other tenants or employees of the Authority;
 - d. Not display, use, or possess or allow members of tenant's household or other covered persons, to display, use or possess any firearms illegally, (operable or inoperable) or other offensive weapons as defined by the laws and courts of the State of New Jersey anywhere on the property of the Authority.

C. AUTHORITY EVICTIONS

- 1. Drug-related or criminal activity, in violation of the lease provision, will be treated as a serious violation of the material terms of the lease. The Authority will seek eviction, under appropriate laws and statues, of any tenant determined to be in violation of the material terms of the lease.

C. AUTHORITY EVICTIONS (Continued)

2. Under terms of federal law, state law and the lease, the Authority may evict the tenant by judicial action for criminal activity if the Authority determines that the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity and without satisfying the standard of proof used for a criminal conviction.
3. The Authority may not evict on the basis of suspicion or rumor. The Authority must prove in court that a tenant has violated the lease.
4. Upon entering into the lease agreement, tenants promise to abide by its terms. Tenants have an affirmative obligation to assure that neither they nor any member of their household or guest or anyone else under their control, by virtue of having been invited to the premises, will engage in prohibited drug or other criminal activities. The Authority may evict the entire household when household member or guest commits a crime in violation of the lease provisions. The tenant has promised in the lease to ensure a crime free household. The tenant is responsible for the household.
5. If the Authority seeks to terminate the tenancy for criminal activity, as shown by a criminal record, the Authority shall provide the subject of an accessed criminal record and the applicant or tenant a copy of the record and an opportunity to dispute the accuracy and relevance of information. This opportunity must be provided before the denial of admission, eviction or lease enforcement action on the basis of such information.

The Authority will handle all the above noted eviction cases on an individual basis. These provisions, known as the Drug Abuse and Other Criminal Activity provisions, will be implemented and enforced even handedly. Similar lease violations in similar circumstances will result in similar sanctions.

D. FACTORS CONSIDERED IN DETERMINING TO EVICT A HOUSEHOLD

1. The magnitude and seriousness of the offense. All drug offenses are serious and it is reasonable to have a strict policy which allocates relatively scarce affordable housing resources to those who abide by the rules and remain free of drug activity. However, a less serious, non-frequent indiscretion by a member of the household cannot be equated with the most serious offense *i.e.* performing as a drug merchant or committing of violent acts. The Authority will review closely, cases in which the offense is relatively less serious.
2. Authority intervention by staff who work with families on a voluntary basis. If the family is participating fully and, most importantly, making sufficient progress in a plan to correct a drug problem, such will be taken into account in determining whether to seek eviction.

D. FACTORS CONSIDERED IN DETERMINING TO EVICT A HOUSEHOLD
(Continued)

3. The knowledge and/or ability to know of the offense by the head of household. For example, consideration of sanctions, other than the eviction, might be made if the offense was committed by a household member, off the site and out of the control of the head of household.
4. Frequency of violations. If a family is cited by Management more than once for serious lease violations, repeated violations by the same family unit indicates a lack of ability or motivation to abide by the rules.

E. REHABILITATION OF ABUSE PROBLEMS

In determining whether to evict a resident based on a pattern of use of a controlled substance or a pattern of abuse of alcohol, the Authority may consider, if presented by the tenant, whether such person:

1. Has completed successfully a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);
2. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);
3. Is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

F. ALTERNATE SANCTIONS

The sanctions other than eviction of the entire household which may be considered are Agreements made in court, on the court record in which the resident:

- a. Acknowledges the offense;
- b. Agrees to take action to ensure that the offense is not repeated, e.g., removed from the household of the offending member; and
- c. Consents to a judgment for possession which the Authority agrees not to execute for one (1) or more years unless the agreement to take action above is violated, e.g., the offending person returns as a tenant or guest of the household or there is another serious lease violation. The consent judgment will require only that the Authority prove violation of the agreement, not subsequent lease violations or criminal conduct.

F. ALTERNATE SANCTIONS (Continued)

In some cases, the Authority may require affidavits or agreements from tenants in lieu of termination of tenancy. In some minor cases, the Authority may issue a written warning in the form of a legal Notice to Cease.

Consideration of alternate sanctions will not be given if the criminal act is committed by the head of household or spouse while on the Authority's premises.

G. PROTECTING TENANT DUE PROCESS RIGHTS

1. Tenants shall be entitled to written notice of determination to terminate tenancy. In accordance with the notice provisions described in the dwelling lease, a reasonable time shall be not less than five (5) days or more than fourteen (14) days as determined by the urgency of the situation.
2. The Authority has a clear responsibility to protect the health and safety of all tenants and will take appropriate action to do so. Any pattern of violent or criminal activity will be construed to be a threat to the safety of other tenants.
3. After a notice of termination is issued, the tenant shall have the right to an hearing before the Executive Director or his designee. The tenant may be represented by an attorney or other party at this hearing. The Authority's counsel will attend normally and provide to the tenant a summary of the hearing and any determinations reached.
4. Prior to a hearing, the tenant will have a right to review any relevant document, regulations, or records directly related to the termination and eviction.
5. The policy will be posted in the Authority's main office. In turn, the Authority will make copies available upon request.

H. POST OFFICE NOTIFICATION

The Authority will notify the local "main" post office providing service to the unit when an individual or family is evicted for criminal activity. The intent is to prevent the return of the former tenant/s to the development to obtain mail.

I. BARRING FROM PREMISES

Any persons who have been evicted from the Authority for drug activity or other criminal activity shall be barred from coming onto any Authority property at any time for any reason. Should the remaining household members of the unit, from which the said person was evicted, permit said person to come onto Authority property, they too shall be subject to eviction.



FY 2024 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2024 Jersey City, NJ HUD Metro FMR Area FMRs for All Bedroom Sizes

Final FY 2024 & Final FY 2023 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2024 FMR	\$1,993	\$2,025	\$2,299	\$2,855	\$3,183
FY 2023 FMR	\$1,765	\$1,821	\$2,088	\$2,578	\$2,805

Hudson County, NJ is part of the Jersey City, NJ HUD Metro FMR Area, which consists of the following counties: Hudson County, NJ. All information here applies to the entirety of the Jersey City, NJ HUD Metro FMR Area.

Fair Market Rent Calculation Methodology

[Show/Hide Methodology Narrative](#)

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

- Calculate the Base Rent:** HUD uses 2017-2021 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area as the new basis for FY2024, provided the estimate is statistically reliable. For FY2024, the test for reliability is whether the margin of error for the estimate is less than 50% of the estimate itself and whether the ACS estimate is based on at least 100 survey cases. HUD does not receive the exact number of survey cases, but rather a categorical variable known as the count indicator indicating a range of cases. An estimate based on at least 100 cases corresponds to a count indicator of 4 or higher.

If an area does not have a reliable 2017-2021 5-year estimate, HUD checks whether the area has had at least 2 minimally reliable estimates in the past 3 years, or estimates that meet the 50% margin of error test described above. If so, the FY2024 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, HUD uses the estimate for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area as the basis for FY2024.

- Calculate the Basis for Recent Mover Adjustment Factor:** HUD calculates a recent mover adjustment factor by comparing an ACS 2021 1-year 40th percentile

recent mover 2-bedroom rent to the ACS 2017-2021 5-year 40th percentile adjusted standard quality gross rent. If either the recent mover and non-recent mover rent estimates are not reliable, HUD uses the recent mover adjustment for a larger geography. For metropolitan areas, the order of geographies examined is: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: FMR Area, State Non-Metropolitan Portion, Entire State, and Entire US. The recent mover adjustment factor is floored at one.

HUD has traditionally defined recent movers as those who have moved into their residence within the current year or preceding year of the ACS survey. Newly for FY2024, HUD is electing to first examine recent movers who have moved within the current year of the ACS. Upon determining a reliable recent mover estimate, HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data.

3. **Adjust for Inflation:** In order to calculate rents that are "as of" 2022, HUD applies a gross rent inflation adjustment factor using data from commercial rent data sources and the Consumer Price Index. HUD uses a local measure of private rent inflation for markets that are covered by at least three of the six available sources of private rent data. HUD combines this local measure of rent inflation with either the local metropolitan area CPI rent of primary residence for the 23 areas where such data exist, or the regional CPI rent in areas without a local index.

Unlike in FY 2023, for areas without at least three of the six private rent data sources available, HUD uses a regional average of private rent inflation factors alongside the regional CPI rent of primary residence. HUD constructs the regional average by taking the rental unit weighted average of the change in rents of each area in a region that does have private rent data coverage. HUD averages the private and CPI shelter rent data with the year-to-year change in the CPI housing fuels and utilities index for the area in order to make the resulting inflation measure reflective of gross rents.

The private and CPI gross rent update factors are then combined using a weighting scheme which controls the national weighted average of the private and CPI gross rent factors to the national change in the ACS recent mover gross rent. The resulting weights assigned are as follows: $W_{2022} = 0.558$ assigned to the private gross rent factor and $(1 - W_{2022}) = 0.442$ assigned to the CPI gross rent factor.

4. **Calculate the Trend Factor:** To further inflate rents from CY2022 to FY2024, HUD uses a "trend factor" based on the forecast of CPI gross rent changes through FY2024.
5. **Multiply the Factors:** HUD multiplies the base rent by the recent mover factor, the gross rent inflation factor, and the trend factor to produce a rent that is "as of" the current fiscal year.
6. **Compare to the State minimum:** FY2024 FMRs are then compared to a State minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the State minimum.

7. **Calculate Bedroom Ratios:** HUD calculates "bedroom ratios" and multiplies these by the two-bedroom rent to produce preliminary FMRs for unit sizes other than two bedrooms.
8. **Compare to Last Year's FMR:** FY2024 FMRs may not be less than 90% of FY2023 FMRs. Therefore, HUD applies "floors" based on the prior year's FMRs.

The results of the Fair Market Rent Step-by-Step Process

1. Base Rent Calculation

The following are the 2021 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimates and margins of error for Jersey City, NJ HUD Metro FMR Area.

Area	ACS ₂₀₂₁ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent	ACS ₂₀₂₁ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Jersey City, NJ HUD Metro FMR Area	\$1,481	\$22	$\frac{\$22}{\$1,481} = 0.01486$	6	$0.01486 < .5$ $6 \geq 4$ Use ACS ₂₀₂₁ 5-Year Jersey City, NJ HUD Metro FMR Area 2-Bedroom Adjusted Standard Quality Gross Rent

Since the ACS₂₀₂₁ Margin of Error Ratio is less than .5, HUD uses the ACS₂₀₂₁ Jersey City, NJ HUD Metro FMR Area value for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent (Base Rent).

Area	FY2024 Base Rent
Jersey City, NJ HUD Metro FMR Area	\$1,481

2. Recent Mover Adjustment Factor Calculation

A recent mover adjustment factor is applied based on the smallest area of geography containing Jersey City, NJ HUD Metro FMR Area that has an ACS₂₀₂₁ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5 and a sufficient number of sample cases.

Area	ACS ₂₀₂₁ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS ₂₀₂₁ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Jersey City, NJ HUD Metro FMR Area – ACS 1-year 2 Bedroom	\$2,370	\$301	0.127	3	3 < 4 Do Not Use ACS ₂₀₂₁ 1-Year Jersey City, NJ HUD Metro FMR Area 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent
Jersey City, NJ HUD Metro FMR Area – ACS 1-year All Bedroom	\$1,944	\$119	0.061	6	0.061 < .5 6 ≥ 4 Use ACS ₂₀₂₁ 1-Year Jersey City, NJ HUD Metro FMR Area All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent

The calculation of the relevant Recent-Mover Adjustment Factor for Jersey City, NJ HUD Metro FMR Area is as follows:

ACS ₂₀₂₁ 5-Year Area	ACS ₂₀₂₁ 5-Year 40th Percentile Adjusted Standard Quality Gross Rent	ACS ₂₀₂₁ 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent
Jersey City, NJ HUD Metro FMR Area – All Bedroom	\$1,471	\$1,944

Area	Ratio	Recent-Mover Adjustment Factor
Jersey City, NJ HUD Metro FMR Area	$\frac{\$1,944}{\$1,471} = 1.322$	1.3216 ≥ 1.0 Use calculated Recent-Mover Adjustment Factor of 1.3216

3. **Inflation Adjustment Factor Calculation**

A gross rent inflation adjustment factor is applied based on a weighted average of a private source gross rent inflation factor and a Consumer Price Index gross rent inflation factor. Since Jersey City, NJ HUD Metro FMR Area is covered by at least 3

private data sources, a local-based private rent factor is applied. Furthermore, since Jersey City, NJ HUD Metro FMR Area is covered by a local-CPI rent area, a Local-based CPI gross rent factor is applied.

Components of 2022 Inflation Adjustment Factor for Jersey City, NJ HUD Metro FMR Area					
	R₂₀₂₂= Shelter Rent Change, 2021 to 2022	U₂₀₂₂ = CPI Annual Utilities Change, 2021 to 2022	C₂₀₂₂ = ACS Utility Cost as a Percent of Gross Rent	Gross Rent Inflation Factor Calculation = (R₂₀₂₂ × (1- C₂₀₂₂) + U₂₀₂₂ × C₂₀₂₂)	Inflation Factor Type
P₂₀₂₂= Private Inflation Factor	1.12107	1.18213	0.08247	(1.12107 * 0.91753) + (1.182125 * 0.08247)= 1.12611	Local
CPI₂₀₂₂= CPI Inflation Factor	1.01568	1.18213	0.10928	(1.01568 * 0.89072) + (1.18213 * 0.10928)= 1.03387	Local

The 2022 Gross Rent Inflation Factor for Jersey City, NJ HUD Metro FMR Area is computed as follows:

$$\begin{aligned}
 &= \mathbf{CPI}_{2022} \times (1-\mathbf{W}_{2022}) + \mathbf{P}_{2022} \times \mathbf{W}_{2022} \\
 &= (1.03387 \times 0.442) + (1.12611 \times 0.558) \\
 &= (0.456971) + (0.628369) \\
 &= \mathbf{1.08537}
 \end{aligned}$$

4. **Trend Factor Adjustment**

The calculation of the Trend Factor is as follows: HUD forecasts the change in gross rents from 2022 to 2024 for each CPI area and Census Region. This makes Fair Market Rents "as of" FY2024.

	Trend Factor	Trend Factor Type
Trend Factor	1.08202	Local

5. **Combination of Factors**

The FY 2024 2-Bedroom Fair Market Rent for Jersey City, NJ HUD Metro FMR Area is calculated as follows:

Area	<u>Base Rent</u>		<u>Recent-Mover Adjustment Factor</u>		<u>Annual 2021 to 2022 Gross Rent Inflation Adjustment</u>		<u>Trending 2022 to FY2024</u>		FY 2024 2-Bedroom FMR
Jersey City, NJ HUD Metro FMR Area	\$1,481	*	1.3215	*	1.08537	*	1.08202	=	\$2,299

6. **State Minimum Comparison**

In keeping with HUD policy, the preliminary FY 2024 FMR is checked to ensure that it does not fall below the state minimum.

Area	Preliminary FY2024 2-Bedroom FMR	FY 2024 New Jersey State Minimum	Final FY2024 2-Bedroom FMR
Jersey City, NJ HUD Metro FMR Area	\$2,299	<u>\$905</u>	\$2,299 ≥ \$905 Use Jersey City, NJ HUD Metro FMR Area FMR of \$2,299

7. **Bedroom Ratios Application**

Bedroom ratios are applied to calculate FMRs for unit sizes other than two bedrooms.

Click on the links in the table to see how the bedroom ratios are calculated.

FY 2024 FMRs By Unit Bedrooms					
	<u>Efficiency</u>	<u>One-Bedroom</u>	<u>Two-Bedroom</u>	<u>Three-Bedroom</u>	<u>Four-Bedroom</u>
FY 2024 FMR	\$1,993	\$2,025	\$2,299	\$2,855	\$3,183

8. **Comparison to Previous Year**

The FY2024 FMRs for each bedroom size must not be below 90% of the FY2023 FMRs.

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY2023 FMR	\$1,765	\$1,821	\$2,088	\$2,578	\$2,805
FY2023 floor	\$1,589	\$1,639	\$1,880	\$2,321	\$2,525
FY 2024 FMR	\$1,993	\$2,025	\$2,299	\$2,855	\$3,183

Use FY2023 floor for FY2024?	No	No	No	No	No
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Final FY2024 Rents for All Bedroom Sizes for Jersey City, NJ HUD Metro FMR Area

Final FY 2024 FMRs By Unit Bedrooms

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY 2024 FMR	\$1,993	\$2,025	\$2,299	\$2,855	\$3,183

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

Permanent link to this page:
http://www.huduser.gov/portal/datasets/fmr/fmrs/FY2024_code/2024summary.odn?&year=2024&fmrtype=Final&selection_type=county&fips=3401799999

Other HUD Metro FMR Areas in the Same MSA

Select another Final FY 2024 HUD Metro FMR Area that is a part of the New York-Newark-Jersey C NY-NJ-PA:

Bergen-Passaic, NJ HUD Metro FMR Area

Select a different area

Press below to select a different county within the same state (same primary state for metropolitan areas):

Press below to select a different state:

Select a Final FY 2024 Metropolitan FMR Area:

[HUD Home Page](#) | [HUD User Home](#) | [Data Sets](#) | [Fair Market Rents](#) | [Section 8 Income Limits](#)
[FMR/IL Summary System](#) | [Multifamily Tax Subsidy Project \(MTSP\) Income Limits](#) | [HUD LIHTC Database](#) |

Prepared by the [Program Parameters and Research Division](#), HUD. Technical problems or questions? [Contact Us](#).

HOUSING AUTHORITY OF THE CITY OF BAYONNE PARKING POLICY

I. INTRODUCTION

The Housing Authority of the City of Bayonne (“Authority”), by implementing a Parking Policy, understands that parking is limited in most municipalities and residential properties. Therefore, it is necessary to establish basic rules to ensure that parking on Authority property is provided in a sensible and consistent manner for our tenants. Designated parking is available for handicapped tenants but there is no assigned parking. Parking is available on a “first come, first served” basis and parking spaces are not to be used for long term storage of vehicles as defined in Section III. as occupying a space for ten (10) calendar days without moving.

Tenants who want to park their vehicle in the parking lot must obtain a parking permit from Management. The parking permit is only valid at the property where the tenant lives. The Authority will distribute only one (1) parking permit per tenant family and the vehicle must not occupy more than one (1) parking space.

No commercial vehicles, are permitted to park in the parking lot. Only passenger vehicles are permitted that are owned by the tenant, properly registered with the Authority, and is the tenant’s principle vehicle. A passenger vehicle is defined as a private motor carrier of passengers or property for non-business/commercial purposes.

II. RESIDENT REQUIREMENTS

Upon notification from the Authority, tenants are responsible for removing their vehicles for snow plowing, parking lot maintenance and any other incidents deemed necessary by the Authority. In order to be eligible to park in the lot tenants must meet the following requirements:

1. Must be a tenant of the site and listed on the current lease agreement;
2. Tenant must have a valid New Jersey driver’s license and proof of current insurance coverage. If the tenant’s insurance lapses the tenant must return the parking permit within five (5) days to the Authority and are prohibited from parking in the lot;
3. Tenant must own the vehicle being registered for parking and prove ownership by providing the Authority with the vehicle registration, in the tenant’s name and at the address listed on the lease. Tenants may not register a vehicle owned or insured in someone else’s name;

4. The vehicle must have a valid New Jersey license plate in accordance with the State of New Jersey laws and local ordinances;
5. Tenant must have a valid and current inspection sticker for the vehicle;
6. All documents (license, registration and insurance) must have Authority address listed on the lease. If the tenant transfers from one site to another, the address on the vehicle documents must be the current address where the tenant resides. The tenant must return the parking permit issued for the previous address and obtain a new parking permit for the address at which they now reside.
7. The vehicle must be in operable condition and be able to run at all times. Random checks of the parking lot may be conducted and any vehicle not in compliance with the Policy may be ticketed by the City and/or towed at the owner's expense without advance notification.

III. ABANDONED/STORED VEHICLES & RESTRICTION ON REPAIRS

Vehicles that are deemed abandoned and/or not roadworthy (i.e. missing tires, flat tires, broken windows, missing mechanical parts, etc.) will be identified. Authority staff will contact the tenant and require the vehicle to be repaired or moved within ten (10) calendar days of notification. Failure to comply may result in the vehicle being ticketed by the City and/or towed at the owner's expense.

Vehicles that occupy a parking space for a period of ten (10) calendar days without being moved may be considered abandoned and may also be ticketed by the City and/or towed at the owner's expense.

Tenants who are or will be away from their unit (i.e. on vacation, in the hospital, etc.) are still responsible for adhering to the Parking Policy and should authorize another person to be responsible for their vehicle. This person must be prepared to remove the vehicle in the event of snow plowing, hazards or parking lot repairs. Failure to designate a responsible person or failure of the designated person to tend to the tenant's vehicle does not exempt that vehicle from receiving a ticket and/or being towed at the owner's expense. In the event, that no one is able to care for the vehicle for the tenant, the tenant may request a waiver of this requirement in writing. Waivers will be evaluated on a case-by-case basis and must be approved by and at the discretion of the Executive Director, or designee, prior to the tenant's absence.

Residents may not make any repairs to their vehicles in Authority parking lots.

Residents who have the occasional overnight use of a company or courtesy car (i.e. from a mechanic or dealership) may not park in the Authority parking lots.

IV. PARKING PERMIT REQUIREMENT

Eligible tenants will be assigned a parking permit that is unique to the property where they live and the parking permit may only be used at that property. Parking permits are not transferrable from one Authority property to another as parking is intended for the tenants who live at the property. Vehicles with improper Authority parking permits are subject to the same penalties as those without a parking permit. (See “Section VI. Enforcement of Policy” below)

Tenants are responsible for notifying the Authority if they sell or change vehicles. If the vehicle is sold and not replaced, the tenant must return the parking permit issued for that vehicle. If the tenant changes vehicles then the tenant must obtain a new parking permit for the current vehicle being utilized. Only one (1) parking permit will be provided to each eligible household. Parking permits are only valid for the vehicle properly registered with the Authority and are not transferrable to another vehicle or tenant. Parking permits must be affixed to the passenger-side of the rear window.

V. VISITOR PARKING

There is no visitor parking. All tenants are responsible for communicating the Parking Policy rules to their guests and service providers. Anyone parking without a valid Authority parking permit is subject to being ticketed by the City and may be towed at the owner’s expense.

VI. ENFORCEMENT OF POLICY

Any violation or abuse of the Authority Parking Policy may result in the parking permit being revoked and the tenant may be denied future parking privileges. A vehicle may be ticketed and/or towed, at the owner’s expense, for violations of this Policy, as well as failure to comply with the City parking regulations.

For example, parking in restricted areas, such as blocking a dumpster or fire hydrant, parking on the sidewalk or in a space designated for handicap persons could be ticketed by the City and/or the vehicle being towed at the owner’s expense. A parking permit does not authorize or excuse illegal parking. If a vehicle is towed then the vehicle owner will be responsible to pay all towing charges. The Authority will not be responsible for any damage or theft to a vehicle that is parked in or towed from Authority property.

HOUSING AUTHORITY OF THE CITY OF BAYONNE

PET POLICY

I. INTRODUCTION

This policy applies only to tenants of low-income housing, owned and/or operated by the Housing Authority of the City of Bayonne (the “Authority”). The purpose of the Authority’s Pet Policy is to ensure that those tenants who desire common household pets, or who require service/assistance animals of any kind, such as seeing eye dogs, are responsible pet owners and that those who do not desire such pets or animals are not inconvenienced by pets on the premises. Pets or service/assistance animals are permitted for the personal enjoyment/assistance of the tenant and **BREEDING OF ANIMALS IS STRICTLY PROHIBITED.**

The Policy is also intended to ensure that pets on the premises are properly cared for. Further goals of this policy are to ensure a decent, safe and sanitary living environment for existing and prospective tenants and to protect and preserve the physical condition of the premises and financial interest of the Authority. Pets may not leave the owner’s apartment except where noted. Such pets will not be allowed to roam freely either in the Authority’s buildings or on the grounds.

Service/assistance animals deemed to be necessary as a reasonable accommodation to a tenant, in accordance with the Authority’s reasonable accommodations policy, are excluded from several provisions of this Policy. However, **in all cases**, the tenant requiring the service/assistance animal must permit the Authority to photograph the animal annually, if requested, and must ensure that the animal is compliant with all applicable state regulations and/or municipal regulations. Additionally, and regardless of said service/assistance animal, all provisions of the lease apply to the tenant, such as but not limited to, the obligation to maintain the premises in a clean and sanitary condition and not disturb their neighbors’ right to the peaceful and safe enjoyment of the premises.

Owning a pet within the Authority’s properties is a privilege that must not be abused.

II. SECURITY DEPOSIT PET PERMIT

The Authority will waive the security deposit for disabled tenants (as defined by the American with Disabilities Act) who are in need of a service/assistance animal, such as a seeing eye dog. However, for all other tenants, a security deposit equal to the amount of three hundred dollars (\$300.00) for a dog or cat or other domesticated animals approved by the Executive Director or designee will be paid to the Authority at the time the pet permit is issued. The deposit amount for a bird cage or fish tank is \$50.00. There is a limit of two (2) twenty (20) gallon fish tanks or two (2) enclosures per household.

II. SECURITY DEPOSIT PET PERMIT (Continued)

If a payment arrangement is needed, the tenant must notify the Authority prior to the issuance of the pet permit. These payment arrangements may not exceed a six (6) month period for dogs and cats and other domesticated animals approved by the Executive Director or designee and a two (2) month period for birds and fish. The security deposit will not be used for damages caused by the pet during tenancy but will be applied to the cost for any damages noted during the tenant's vacate inspection.

Generally, the Authority will refund any unused portion of the pet deposit to the tenant within thirty (30) days after the tenant vacates from the apartment. Any exceptions to this provision will be considered on a case by case basis and any exception will be made at the Authority's discretion. The pet deposit is not part of the rent payable by the tenant and will be held in an interest bearing account, with the interest payable directly to the tenant by the bank. This interest will not be used in the tenant's rent calculation. The Authority will notify the tenant of the bank where the security deposit is being held and the corresponding account number.

Please note that if the tenant permanently removes the registered pet from the unit or the pet dies, the pet deposit will not be refunded until the entire household vacates the unit. Any exceptions to this provision will be considered on a case by case basis and any exception will be made at the Authority's discretion. In addition, any subsequent pet must meet the conditions of this Policy. Therefore, a new pet permit application must be filed with the Authority prior to the new pet's residency within the tenant's unit. In this case, the security deposit will be waived.

III. DAMAGES

Pet owners are responsible for paying the total cost of repairing any damages caused by a pet to any property owned by the Authority, whether the damages are within the apartment or outside on the grounds, including any part of the building itself and shrubbery, walls, windows, rugs etc.. The Executive Director or designee will assess reasonable costs for damages.

Damages caused by a pet, as determined by an inspection, shall be corrected by management at full repair/replacement cost at the time of discovery of damage. Tenants will be billed for the full repair cost at time of repair. Pet blankets, clothing, bedding, etc. are not to be cleaned or washed in the laundry room for hygienic reasons. Tenants will not alter their unit or outside areas to create an enclosure for the animal. Nor will the tenant chain or tie the pet to any furniture or appliance.

VISITORS/GUESTS, EXCEPT FOR PHYSICALLY DISABLED PERSONS WHO REQUIRE A SERVICE ANIMAL, MAY NOT BRING THEIR PETS ONTO AUTHORITY PROPERTY AT ANY TIME FOR ANY REASON.

PET SITTING IS NOT PERMITTED

IV. DEVELOPMENT/ SITE COMPLIANCE

All Authority developments and scattered site neighborhoods will abide by all provisions in the Pet Policy.

Prior to bringing the pet into a tenant's residence, an application must be filed at the Authority's administrative office located at 549 Avenue A, Bayonne, N.J. 07002. If the pet owner is a household member age eighteen (18) years or older, both the head of household and the adult owner must sign the application for the pet permit. Both individuals will be held accountable for the provisions of this Policy. In the event that the pet owner is a minor under the age of eighteen (18), the head of household will be the only signatory.

V. DEFINITION OF PET

Common household pets (excluding service/assistance animals), are defined as:

- A. Domesticated dogs, not to exceed thirty-five (35) pounds in weight, fully grown, and meeting the other requirements of this policy. Dogs of a vicious or aggressive disposition will not be permitted.
- B. Domesticated cats, not exceeding twenty five (25) pounds in weight, fully grown, and meeting the other requirements of this Policy.
- C. Fish in an approved tank, not exceeding twenty (20) gallons of water (limit of two (2) fish tanks per household).
- D. Domesticated, caged small birds such as parakeets/canaries, no more than 2 birds.
- E. Other domesticated animals will be reviewed by the Executive Director or designee on a case by case basis.
- F. Reptiles, insects, non-domesticated rodents, farm animals and birds of prey are not permitted.
- G. Tenants are expressly prohibited from feeding or harboring stray animals.
- H. Potentially dangerous species are not permitted. This is defined to mean any exotic mammals, birds, reptiles or amphibians or non-game species, which in the opinion of the New Jersey Division of Fish and Wildlife, is capable of inflicting serious or fatal injuries or which has the potential to become an agricultural pest, or a menace to the public health or indigenous wildlife populations. These include, but are not limited to monkeys, baboons, apes, bears, cobras, crocodiles and alligators.

VI. PET APPLICATION REGISTRATION

All pets must be photographed if requested by the Authority. With regard to fish, an Authority representative may photograph an empty tank in your home prior to the issuance of a pet permit. This is to ensure that the permitted size will be utilized. Once the pet permit is issued, an Authority representative will photograph the tank in its habituated state. Dogs and cats may be weighed at the Authority. A pet permit will only be issued once the following conditions of the Policy have been met.

- A. The tenant (pet owner) must be listed on the most recent lease agreement with the Authority. The household cannot be in arrears in rent.
- B. The tenant must file a Certificate of Municipal Registration of the pet in accordance with local ordinance Chapter IX, Section 9-2.1A for dogs and Chapter IX, Section 9A-2.7 for cats. Other domesticated animals will be approved by the Executive Director or designee on a case by case basis only.
- C. The tenant must sign a statement that he/she will assume all personal financial responsibility for damage to any personal or Authority property caused by the pet and will assume personal responsibility and liability for personal injury to any party caused by said pet.
- D. The tenant must submit the name, address and telephone number of the attending veterinarian to the Authority annually or whenever there is a change of veterinarian.
- E. The tenant must certify and agree to the terms and conditions of the management of said pet and acknowledges that the pet permit can be revoked after two (2) warning notices for failure to follow the pet management rules. Upon revocation of this permit, the tenant must remove the pet permanently from the premises within seven (7) calendar days from the date of the notice. **Failure to do so may result in termination of the apartment dwelling lease.**
- F. No more than one (1) animal shall be permitted per unit with the exception of birds and fish.
- G. All pet permits are valid for one (1) year only. **Therefore, the permit must be renewed annually.** The tenant must apply for the pet permit at least ten (10) calendar days prior to the expiration of the current permit. Failure to renew the pet permit annually during the specified time period will result in an automatic cancellation of the pet permit. All of the conditions of this Policy must be met prior to the issuance of a new permit. Tenants must file evidence, in the form of an acceptable certificate from the veterinarian, establishing that the pet is in good health and that the animal has had the proper current medical shots. For cats and dogs, the inoculations must include, but not limited to, distemper and rabies. Other inoculations may be required, as recommended by the veterinarian, or required by state or local law, ordinance or regulation. The tenant must also ensure for proper grooming, exercise and nutrition of the pet.

VII. PET MANAGEMENT PLAN

- A. **Neutering:** Neutering of dogs and cats is recommended. If the tenant chooses not to have the pet neutered and the pet is disruptive (howling, odors, spraying, chirping etc.), it may be removed from the premises pursuant to Section IX. “Revocation of Pet Permit” below.
- B. **Pet Offspring:** No pet, already pregnant, may be introduced into any unit. No pet offspring will be allowed. Tenants are advised that pets that become pregnant while residing in Authority properties are often pets that have been allowed to roam, escaping the attention of their owner. Such pets and free roaming pets may be removed from the premises pursuant to Section IX. “Revocation of Pet Permit”.
- C. **Pet Behavior:** If, in the opinion of the Executive Director or designee and after two (2) written warnings to the tenant, a pet continues to be disruptive, noisy and a nuisance to neighbors, the pet may be removed from the premises pursuant to the Section IX. “Revocation of Pet Permit.”
- D. **Bird** cages and **fish** tanks must be cleaned frequently during the week.
- E. **Dogs:** Dogs may pass through the halls, elevators and public spaces for the purpose of being walked, veterinarian visits and going on vacation. The dog must be leashed and must wear proper identification and rabies tag when in transit and muzzled, if required. The leash must be no more than 6 (six) feet long. **Retractable leashes are prohibited inside the building or any Authority premises.** Dogs are not permitted to roam at will nor are they allowed to be left alone outside of the unit or secured to any outside fixtures. Pets are not allowed to defecate or urinate on Authority property. Tenant owners must comply with the City of Bayonne’s regulations on pet defecation.

If a dog defecates on Authority property, the tenant owner is responsible for removing and properly disposing of said waste. Failure to comply may be grounds for removal of the pet from the premises pursuant to the Section IX. “Revocation of Pet Permit.” If the dog urinates on the grass, shrubs, trees or flowers on Authority grounds, the tenant owner will be responsible for any and all replacement costs of damage incurred. The pet will be removed after two (2) warnings pursuant to the Section IX. “Revocation of Pet Permit.”

VII. PET MANAGEMENT PLAN (Continued)

- F. **Cats:** Cats will not be permitted outside of a tenant's apartment unless they are either caged or in a carry box when in transit. They may not roam at will. Cats may pass through halls, elevators or public spaces only for the purpose of going to the veterinarian or going on vacation. Cats must use litter pans and may not use the grounds to defecate.

Commercial cat litter (not sand, newspaper or dirt) must be used in a litter pan. Pans must be cleaned daily and kept odor free. All pet owners must place litter in a double bag, tie it securely and throw it away in the dumpster outside of the building. If a pan liner is utilized, it still must be placed in a double bag, tied securely and disposed of in the dumpster. **DISPOSING OF CAT LITTER IN THE GARBAGE CHUTE IS PROHIBITED** as it damages the chute mechanism.

Pet waste must be discarded immediately and not stored in the unit. **Litter must not be flushed down the toilets, sinks or bathtubs (regardless of product claims) or placed in the dumpster outside.** The head of household will be responsible for the cost of repairs or replacements of any damaged toilets or pipes and these actions can result in the cancellation of the pet permit.

- G. The tenant agrees to manage the pet in such a way that it does not contribute to complaints from other tenants regarding behavior and activities of said pet.
- H. **Absence of Owner:** No pet may be unattended for more than twenty-four (24) hours, except in the case of a dog which shall be for no more than twelve (12) hours. If a tenant owner wants to go on vacation, becomes ill or vacates the unit, the tenant must make arrangements in advance for proper care of the pet by notifying the pet caretaker noted on the Pet Emergency Care Plan. If the Executive Director, or designee, finds the pet not properly cared for, the pet will be immediately removed from the unit after twenty-four (24) hours and transported to the pound, kennel or other appropriate authorities.

The head of household will be solely responsible to pay for any and all costs for the care of the pet while in a pet care facility. If the head of household/pet owner refuses or is unable to pay for the care of the pet in the pet-care facility, the Authority will utilize the pet deposit funds and the tenant will be required to repay those funds to the pet deposit account.

In the event of an emergency, which would render the tenant unable to care for the pet, the tenant agrees to file a Pet Emergency Care Plan with the Authority and agrees to hold the Authority and its employees harmless of any liability in connection with the Pet Emergency Care Plan.

VII. PET MANAGEMENT PLAN (Continued)

- I. Whenever an Authority employee or its representative are in the unit, whether it be for a tenant initiated work order, an emergent situation or for an inspection, the dog must be restrained in an area separate and apart from these individuals. Maintenance work will not be done in an apartment when the tenant is not present and there is a dog in the unit.
- J. In the event that there are fleas, or other insects such as ticks, in the apartment, the tenant agrees to pay for the treatment of the unit by the Authority's professional exterminator.

VIII. INSPECTION OF APARTMENT

Apartments containing pets must be kept clean and free of odors at all times. The tenant agrees, as a condition of accepting the pet permit, that the tenant's apartment will be available for inspection for compliance of pet policy at any time during working hours with thirty (30) minutes notice. Pet owners also agree to pictures being taken of the pet and living conditions during these inspections.

IX. REVOCATION OF PET PERMIT

1. A pet may be removed from the premises pursuant to any state or local laws, ordinance or regulations, or pursuant to the Authority's grievance hearing procedure. The Authority reserves the right to choose the most expeditious remedy, process or procedure available according to the circumstances or urgency of the case.
2. In the event that state or local laws, ordinances or regulations differ or conflict with the provisions or requirements of the Authority grievance procedure in any way, the Executive Director, or designee, may pursue the most expeditious remedy or procedure, to the exclusion of the Authority grievance procedure as permitted by law and 24 Code of Federal Regulations Part 942.
3. Nothing contained herein will prohibit the Authority or an appropriate municipal or community authority from requiring the removal of any pet from a premises if the pet's conduct or condition is duly determined to constitute, under the provisions of state or local law, a nuisance or a threat to the health or safety of other occupants of the Authority premises or other persons in the community where the project is located. This includes, but not limited to, situations in which immediate action is needed for removal of any pet from the premises pursuant to state or local laws, ordinances or regulations to preserve the health, safety or welfare of the pet, or the health, safety, welfare, or right to peaceful enjoyment of the premises of any person.

IX. REVOCATION OF PET PERMIT (Continued)

4. Tenants are advised that pets may, among other things, be seized, impounded and disposed of for a variety of state and local animal violations including, but not limited to: stray pets, pets creating a threat to public health, safety or welfare, injury caused by pets and cruelty to pets.
5. In cases in which state or local remedies, processes or procedures are not utilized initially for removal of the pet, any decisions made by the Executive Director or designee that a pet must be removed from the premises shall be presented in writing to the owner, in which case the owner may request a grievance hearing pursuant to the Authority's grievance procedure.
6. The Authority may revoke a tenant's pet permit and require the tenant to remove the pet from the premises when the Authority determines that any of the following exist:
 - a. The tenant's refusal to comply with these rules and regulations governing domesticated animals, constitutes a violation of federal, state, or local building health or use code or violation of this Policy;
 - b. The tenant fails to care properly for the pet;
 - c. The tenant fails to control properly the pet by using a leash, if appropriate, or other necessary safety device, when walking or taking the pet to and from the dwelling unit;
 - d. The pet has caused damage to the apartment, common areas, personal property or persons;
 - e. The pet has bitten, scratched or caused injury to any person;
 - f. The pet makes animal sounds that are generally annoying to tenants and management, for example, loud barking dogs or loud meowing cats;
 - g. The pet repeatedly defecates or urinates in the apartment, common area or grounds or is responsible for fleas, ticks or other infestation;
 - h. Upon expiration of municipal animal license; or
 - i. Upon death of the pet; or
 - j. Documented medical conditions of tenants affected by the presence of an animal in their unit.

X. DEATH OF PET

The pet owner is responsible for arranging for disposal of any pet. The remains of the pet must be removed from the Authority's property within twenty-four (24) hours of the pet's demise. In addition documentation from the veterinarian or the agency disposing of the pet's remains must be submitted to the Authority within ten (10) days of the pet's demise.

XI. VACATING RESIDENT OWNER

The pet owner must pay the full fees for professional rug shampooing, if applicable, deodorizing and/or defleaing of the apartment if, in the judgment of the Executive Director, or designee, it is necessary before a new tenant can take possession of the apartment and such fees are in excess of the security deposit.

XII. INCORPORATION INTO LEASE

This Pet Policy is incorporated by reference into the lease of each Authority tenant. The tenant agrees to this as evidenced by his/her signature below.

XIII. GRIEVANCE HEARING

In the event an applicant for a pet permit is denied the permit, the tenant may request an informal grievance hearing.

I/We have received a copy of this Pet Policy and acknowledge that I/We have read and understood its contents.

All adult (anyone 18 years of age or older) household members must sign below.

Tenant (**Head of Household**) Signature

Date

Tenant (18 years of age or older) Signature

Date

Tenant (18 years of age or older) Signature

Date

Tenant (18 years of age or older) Signature

Date

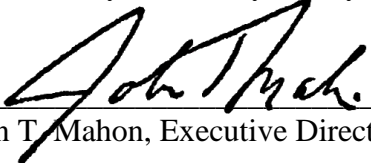
Tenant (18 years of age or older) Signature

Date

Tenant (18 years of age or older) Signature

Date

Housing Authority of the City of Bayonne

By: 
John T. Mahon, Executive Director

THIS DOCUMENT IS BEING EXECUTED IN TWO (2) ORIGINALS

HOUSING AUTHORITY OF THE CITY OF BAYONNE

Public Housing Smoke-Free Policy and Lease Addendum

Purpose:

Bayonne Housing Authority (“BHA”) has implemented a smoke-free policy to comply with federal government regulations at 24 CFR Parts 965 & 966. Any housing agency receiving federal funds from the Department of Housing and Urban Development (“HUD”) must adhere to operation regulations and standards for housing quality.

Definitions:

1. **“Smoking”** means carrying or smoking a lighted tobacco product or the burning of any tobacco material to be inhaled including, but not limited to, cigarettes, cigars, pipes, or hookahs (water pipes), or engaging in an act that generates smoke for the purpose of human inhalation.
2. **“Housing Authority property”** for purposes of this policy, “Housing Authority property” means buildings and structures owned or otherwise controlled, operated or leased by the BHA.
3. **“Restricted Areas”** means indoor areas of public housing, including but not limited to, living units, indoor common areas such as hallways/stairwells, laundry rooms, community rooms, electrical closets, storage units, bathrooms, and administrative office buildings.
4. **“25 foot perimeter”** means all outdoor areas up to 25 feet from the housing and administrative office buildings.

Policy:

1. This policy establishes standards and requirements to provide a smoke-free environment for all Bayonne Housing Authority residential, communal, and administrative properties. Smoking is not permitted anywhere inside restricted areas, and within a 25 foot perimeter of restricted areas.
2. Effective by **July 31, 2018**, smoking will be prohibited in restricted areas. This policy will not apply to any resident until the effective date, at which point it will be incorporated into all residents’ lease agreements in 2018 and thereafter, and into all 2018 lease renewal agreements, and apply to all residents upon signing. Failure of any resident to follow the smoke-free policy will be considered a lease violation.

Enforcement:

Any deviation from the smoke-free policy by any resident, resident guest, or resident household member will be considered a lease violation, based on the following enforcement plan:

1st Violation: Verbal warning and cessation materials

2nd Violation: Verbal warning and cessation materials

3rd Violation: Written warning and cessation materials

4th Violation: Notice to Cease subject to BHA’s grievance procedure

5th Violation: In the event of a 5th violation, the Authority shall have the discretion to terminate a resident Lease Agreement.

Smoking Cessation Assistance:

The BHA shall make available smoking cessation assistance to residents. BHA resident services shall be designated to answer questions, refer residents to on-site and outside resources, and otherwise provide smoking cessation assistance options and opportunities.

Disclaimer:

Bayonne Housing Authority is not acting as a guarantor of this policy. Failure to enforce any part of this policy does not negate the right of the BHA to enforce it in the future.

Enforcement of this policy will begin by **July 31, 2018**.

Resident Certification:

I have read and understand the above smoke-free policy and I agree to comply fully with the provisions. I understand that failure to comply may constitute reason for termination of my lease.

In witness, whereof, the parties have executed this Lease Addendum this _____ day of

_____, 20 _____ at _____.

Print: _____ Signature: _____ Date: _____

Print: _____ Signature: _____ Date: _____

Print: _____ Signature: _____ Date: _____

Print: _____ Signature: _____ Date: _____

Print: _____ Signature: _____ Date: _____

HOUSING AUTHORITY OF THE CITY OF BAYONNE

Community Service and Self-Sufficiency Policy

I. INTRODUCTION

The Community Service and Self-Sufficiency Requirement (“CSSR”) is part of the ACOP (24 CFR 960.605(a)). Elements of the CSSR policy include, but are not limited to, the Housing Authority of the City of Bayonne (referred to as the “Authority” or the “BHA”) responsibility to administer the requirement; eligible and non-eligible activities; exceptions from the requirement; and compliance review standards. These elements are described further in this document.

Background: The Quality Housing and Work Responsibility Act of 1998, mandates all public housing agencies administer a CSSR requirement. The Act of 1998 contained a CSSR that every adult resident of public housing contribute eight (8) hours of community service per month, or participate in an economic self-sufficiency program for eight (8) hours per month (24 CFR Subpart 7, 960.600 through 960.609).

Applicability: This policy which is extracted from the Admissions and Continued Occupancy Policy (“ACOP”) requires the BHA since it administers the public housing program to administer the CSSR requirement.

II. STATUTORY/REGULATORY REQUIREMENTS FOR ADMINISTERING CSSR

Community service work and economic self-sufficiency requirements mandate that each non-exempt adult household member (18 years or older) shall either contribute 8 hours per month of volunteer community service or participate in an economic self-sufficiency program (or a combination of the two) for 8 hours per month (24 CFR 960.603(a)). The requirements can also be met by a combination of 8 hours of community service and participation in an economic self-sufficiency program. At least 8 hours of activity must be performed each month. The required community service or self-sufficiency activity may be completed at 8 hours each month or may be aggregated across the year. Any blocking of hours is acceptable as long as ninety six (96) hours is completed by each annual certification.

Community service is the performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community. Community service is not employment and may not include political activities (24 CFR 960.601(b)).

III. ELIGIBLE COMMUNITY SERVICE ACTIVITIES INCLUDE, BUT ARE NOT LIMITED TO, SERVING AT:

- A. Local public or nonprofit institutions, such as schools, Head Start Programs, before- or after-school programs, childcare centers, hospitals, clinics, hospices, nursing homes, recreation centers, senior centers, adult daycares programs, homeless shelters, feeding programs, food banks (distributing either donated or commodity foods), or clothes closets (distributing donated clothing);
- B. Nonprofit organizations serving BHA residents or their children, such as: Boy or Girl Scouts, Boy or Girls Club, 4-H clubs, Police Activities League (PAL), organized children's recreation, mentoring, or education programs, community clean-up programs, Big Brothers or Big Sisters, Garden Centers Corps of Retired Executives, beautification programs;
- C. Programs funded under the Older Americans Act, such as Green Thumb, senior meals programs, senior centers, Meals on Wheels;
- D. Public or nonprofit organizations dedicated to seniors, youth, children, residents, citizens, special-needs populations or with missions to enhance the environment, historic resources, cultural identities, neighborhoods, or performing arts;
- E. BHA housing to improve grounds or provide gardens (so long as such work does not alter the BHA's insurance coverage); or work through resident organizations to help other residents with problems, including serving on the Resident Advisory Board, outreach and assistance with BHA-run self-sufficiency activities including supporting computer learning centers;
- F. Care for the children of other residents so parents may volunteer;
- G. The BHA accepts community services performed at profit-motivated entities that is performed within the community in accordance with the community and which benefit residents of the jurisdictional area of the BHA. See Public Housing Occupancy Guidebook, 176 (2003);
- H. The BHA accepts volunteer work performed at homes or offices of general private citizens and Court Ordered or Probation-based work that is performed within the community in accordance with the community and which benefit residents of the jurisdictional area of the BHA, as eligible for community service credit. See Public Housing Occupancy Guidebook, 176 (2003);

IV. ELIGIBLE SELF-SUFFICIENCY ACTIVITIES INCLUDE, BUT ARE NOT LIMITED TO:

For purposes of satisfying the community service requirement, an economic self-sufficiency program is defined by HUD as: Any program designed to encourage, assist, train, or facilitate economic independence of assisted families or to provide work for such families. These economic self-sufficiency programs include, but are not limited to:

- A. Job readiness programs or job training while not employed;
- B. Training programs through local One-Stop Career Centers, Workforce Investment Boards (local entities administered through the U.S. Department of Labor), or other training providers;
- C. Higher education (Community college or college);
- D. Apprenticeships (formal or informal);
- E. Substance abuse or mental health counseling;
- F. Reading, financial, and/or computer literacy classes;
- G. English as a second language and/or English proficiency classes;
- H. Budgeting and credit counseling.

V. INELIGIBLE CSSR ACTIVITIES:

- A. Replacement of a BHA employee with those performing community service;
- B. Paid work;
- C. Political activities;

VI. BHA OBLIGATIONS:

1. To the extent possible and practicable, BHA will:
 - Provide residents with names and contacts at agencies that can provide opportunities for residents, including those with disabilities, to fulfill their Community Service/Self Sufficiency obligations. Persons with disabilities are exempt from the requirement only if they certify that because of their disabilities, they cannot comply with the requirement; (24CFR 960.601 (b))
 - Include a disabled person who is otherwise able to be gainfully employed, since such an individual is not exempt from the Community Service requirement; and

VI. BHA OBLIGATIONS (Continued)

2. The BHA will provide the family with exemption verification forms and Recording/Certification documentation forms and a copy of this policy at lease execution, if applicable, at lease execution and annual recertification.
3. The BHA, at the time of application, will supply each family member with a brief description of the CSSR requirements.
4. At initial lease execution, the BHA will provide families with a copy of the CSSR policy and secure certification of receipt of the policy.
5. The BHA will have residents sign an acknowledgement of the CSSR policy at annual lease up (re-examination).
6. BHA will make the final determination as to whether or not a family member is exempt from the Community Service/Self Sufficiency requirement. Residents may use BHA's Grievance Procedure if they disagree with BHA's determination.
7. BHA will review and verify family compliance with service requirements annually at least thirty (30) days before the end of the regular recertification period.
8. BHA will retain copies of all relevant documentation and certifications in the resident file.
9. BHA may require additional supporting documentation from the resident to verify the CSSR participation or exempt status.

VII. REQUIREMENTS OF THE PROGRAM

1. The eight (8) hours per month or ninety-six (96) hours per year may be either volunteer work or self-sufficiency activity, or a combination of the two.
2. At least eight (8) hours of activity must be performed each month. An individual may not skip a month and then double up the following month, unless special circumstances warrant special consideration. The BHA will make the determination of whether to allow or disallow a deviation from the schedule.
3. Activities must be performed within the community and not outside the jurisdictional area of the BHA.

VIII. RESIDENT RESPONSIBILITIES AT LEASE EXECUTION AND RE-EXAMINATION

The BHA will provide the family a copy of the CSSR policy at initial application and secure certification or receipt (24 CFR 960.605 (c)(2)). At lease execution each adult member (18 years or older) must:

1. Provide documentation that they qualify for an exemption if applicable. They will also sign the CSSR exemption certificate provided by the BHA.
2. These individuals will sign an acknowledgement that they have received and read the CSSR policy and understand that if they are not exempt, failure to comply with the Community Service requirement will result in the non-renewal of the lease. (24 C.F.R. 966.4(1)(2)(iii)(D))

At each annual lease renewal, all nonexempt adult household members (18 years or older) must:

- Sign a certification that they have received and read the CSSR policy and understand that if they are not exempt, failure to comply with the community service requirement will result in non-renewal of their lease.
- Present a signed certification on a form provided by the BHA of the CSSR activities performed over the previous twelve (12) months.

The BHA may make the final determination whether to grant an exemption from the community service requirement. If a resident does not agree with the BHA determination, the resident may dispute the decision through the BHA Grievance Procedures (24 CFR Part 966 Subpart B, 24 CFR 960.607(b)).

A. Other Resident Responsibilities:

The BHA will review the submitted documentation and CSSR exemption certificate to determine which family members are exempt from the requirement. If at any time, there is a change to the exempt status of the family member, it is his/her responsibility to report this change to the BHA within five (5) days of the change.

Non-Exempt Becomes Exempt. Submit documentation to validate specific exemption and a signed CSSR Exemption Certification Form.

Exempt Becomes Non-Exempt. Submit documentation to validate the change and complete a CSSR Requirement Certification Form.

A. Other Resident Responsibilities (Continued)

Documentation of CSSR Completion. The exemption/CSSR completion will be verified annually by the BHA. At least 30 days before the annual reexamination and/or lease expiration, the BHA will review the exempt or nonexempt status and compliance of non-exempt family members (see 24 CFR 960.605(c)(3)). At each regularly scheduled rent re-examination, each non-exempt family member presents a signed certification on a form provided by the BHA of CSSR activities performed over the previous twelve (12) months. The BHA must obtain third-party verification of CSSR completion administered through outside organizations. The BHA developed a standardized form with places for signature confirmation by supervisors, instructors, or counselors certifying the number of hours contributed. Additional supporting documentation may be requested of the resident to verify CSSR participation or exempt status. Copies of the certification forms and supporting documentation must be retained in Authority files.

B. Non-Compliant Residents:

The BHA may not evict a family due to CSSR non-compliance. However, if the BHA finds a tenant is non-compliant with CSSR, then the BHA must provide written notification to the tenant of the noncompliance which must include:

1. A brief description of the finding of non-compliance with CSSR.
2. A statement that the BHA will not renew the lease at the end of the current 12-month lease term unless the tenant enters into a written work-out agreement with the BHA. Such written work-out agreement must include the means through which a noncompliant family member will comply with the CSSR requirement.

The tenant may request a grievance hearing on the BHA determination, in accordance with 24 CFR Part 966, subpart B, and the tenant may exercise any available judicial remedy to seek timely redress for the BHA's nonrenewal of the lease because of such determination.

C. Enforcement Documentation:

Should a family member refuse to sign a written work-out agreement, or fail to comply with the terms of the work-out agreement, the BHA is required to initiate termination of tenancy proceedings at the end of the current 12-month lease (see 24 CFR 966.53(c)) due to the fact that the family is failing to comply with lease requirements. When initiating termination of tenancy proceedings, the BHA will provide the following procedural safeguards:

C. Enforcement Documentation (Continued)

1. Adequate notice to the tenant of the grounds for terminating the tenancy and for non-renewal of the lease;
2. Right of the tenant to be represented by counsel;
3. Opportunity for the tenant to refute the evidence presented by the BHA, including the right to confront and cross-examine witnesses and present any affirmative legal or equitable defense which the tenant may have; and,
4. Right to request a reasonable accommodation during the grievance process if the family includes a disabled family member; and,
5. A decision on the merits of the grievance.

If a tenant does not win the grievance, the Authority may formally terminate the tenancy. If the resident fails to vacate the unit upon expiration of the twelve (12) month lease or the end of the grievance procedures, whichever comes last, the BHA may begin eviction procedures for such failure to vacate.

IX. 50058 CODING

The Instruction Booklet for Form HUD 50058 contains information on coding CSSR status. At the time of program admission, enter either 3 or 4. At each annual re-examination, enter code 1, 2, or 4. The codes are described below:

- 1 - BHA determines resident is not exempt and is in compliance with CSSR
- 2 - BHA determines resident is not exempt and not complying with CSSR
- 3 - BHA is in the process of verifying CSSR compliance
- 4 - BHA determines resident is exempt
- 5 - Do not use this code for “not applicable” under any circumstance

X. EXEMPTIONS FOR ADULT RESIDENTS, AS CODIFIED AT CFR 960.601 INCLUDE PERSONS WHO ARE:

Residents must provide documentation, if applicable, that they qualify for an exemption. The submitted documentation will be used by the BHA to determine whether or not the tenant is exempt from the CSSR. In addition, the BHA will provide the resident with a CSSR exemption certification form for completion. This form illustrates documentation that residents may submit to validate their exemption. All submitted documentation will be maintained in the resident file.

1. 62 years or older;

- X. *Exemptions for Adult Residents, as codified at CFR 960.601 include persons who are (Continued)*
2. Blind or disabled, as defined under 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. Section 416(i)(1); Section 1382c), and who certify that, because of this disability, she or he is unable to comply with the service provisions of this subpart, or is a primary caretaker of such individual and who certifies that based upon that disability, he or she cannot comply with the requirement;
 3. Engaged in work activities (see Notice PIH 2003-17 (HA)). In order for an individual to be exempt from the CSSR requirement because he/she is “engaged in work activities,” the person must be participating in an activity that meets one of the following definitions of “work activity” contained in Section 407(d) of the Social Security Act (42 U.S.C. Section 607(d)):
 - Unsubsidized employment;
 - Subsidized private-sector employment;
 - Subsidized public-sector employment;
 - Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;
 - On-the-job-training;
 - Job-search;
 - Community service programs;
 - Vocational educational training (not to exceed 12 months with respect to any individual);
 - Job-skills training directly related to employment;
 - Education directly related to employment in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;
 - Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalency, in the case of a recipient who has not completed secondary school or received such a certificate;
 4. Able to meet requirements under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. Section 601 et seq.) or under any other welfare program of the state of New Jersey including a state-administered welfare-to-work program; or,
 5. A member of a family receiving assistance, benefits, or services under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. Section 601 et seq.), or under any other welfare program of the State of New Jersey, including a state-administered welfare-to-work program, and has not been found by the state or other administering entity to be in noncompliance with such a program.

X. *Exemptions for Adult Residents, as codified at CFR 960.601 include persons who are (Continued)*

6. The supplemental nutrition assistance program (“SNAP”) qualifies as a welfare program of the state. Therefore, if a tenant is a member of a family receiving assistance under SNAP, and has been found to be in compliance with the program requirements, that tenant is exempt from the CSSR. To clarify, this exemption does not automatically apply to all members of a public housing household. The distinction is that there may be a household for which a portion of the household is receiving SNAP assistance, but another portion is not. An example is a household which includes a mother, child, and boyfriend (legally on the lease). The mother and child are receiving the SNAP benefits while the boyfriend is not part of the family receiving the assistance. In this case, the mother would be exempt if she is in compliance with the program requirements but the boyfriend is not exempt under this provision because he is not part of the family receiving SNAP benefits.

Please note, thirty (30) hours per week is the minimum number of hours for a work activity.

The BHA will review the submitted documentation and CSSR exemption certificate to determine which family members are exempt from the requirement. If at any time, there is a change to the exempt status of the family member, it is his/her responsibility to report this change to the BHA within five (5) days of the change.

XI. **DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

The Department of Housing and Urban Development (referred to as “HUD”) will generate quarterly reports for the CSSR requirement. These reports will include:

1. Information on all residents that are coded as noncompliant with the CSSR requirement.
2. Information on all residents whose exempt status is in question.

HUD expects the BHA to take the following actions based on these reports:

1. Review the information for each resident that is included in the report;
2. Review the file and take actions as appropriate.

The BHA’s actions shall further include based on the HUD reports:

1. Entering into work out agreements;
2. Determining whether the current exempt status is correct;
3. Correcting improperly coded residents.

HOUSING AUTHORITY OF THE CITY OF BAYONNE

LIVE-IN AIDE/CARETAKER POLICY

I. INTRODUCTION

The Housing Authority of the City of Bayonne (the “Authority”) permits its Tenants to have Live-In Aides/Caretakers reside in a Tenant’s unit. The circumstances under which such permission will be granted to a Tenant are outlined in this policy (the “Policy”). This Policy shall become a part of the Tenant’s lease with the Authority and is incorporated therein by reference.

II. STATUS OF THE LIVE-IN AIDE/CARETAKER

The Authority defines a Live-In Aide/Caretaker as a person, eighteen years of age or older, who resides with an elderly, disabled or handicapped Tenant and who: (1) is determined to be essential to the care and well-being of the Tenant; (2) is not obligated for the support of the Tenant; and (3) would not be living in the unit except to provide the necessary supportive services. Under no circumstances shall a Live-In Aide/Caretaker be considered a Tenant of the Authority.

For the purposes of this Policy, a Live-In Aide/Caretaker will be considered a guest of the Tenant. A “guest” is a person staying temporarily in the unit with the consent of a Tenant or other member of the household who has express or implied authority to so consent on behalf of the Tenant.

Although the Live-In Aide/Caretaker is not a Tenant of the Authority, the Tenant is responsible to ensure that the Live-in Aide/Caretaker adheres to the provisions of the Tenant’s lease with the Authority. The Authority may terminate the Tenant’s tenancy if the Live-In Aide/Caretaker violates any terms of the Tenant’s lease. Any such termination shall be in accordance with the state and/or federal procedures governing the same.

III. WRITTEN PERMISSION REQUIRED - THE APPLICATION

Any Tenant requiring the assistance of a Live-In Aide/Caretaker must first obtain the Authority’s written permission, by way of application, to have such a Live-In Aide/Caretaker reside in the Tenant’s unit. Copies of the application are available at the Authority’s administrative office, located at 549 Avenue A Bayonne, New Jersey. Once submitted by the Tenant, the Authority will review the application and, within a reasonable time, will make a determination as to the eligibility of the Live-In Aide/Caretaker to reside in the Tenant’s unit. However, if the Authority discovers that a Tenant has permitted or otherwise allowed the Live-In Aide/Caretaker to move into the Tenant’s unit prior to the completion of the Authority’s processing of the Tenant’s application, the Authority will deny the Tenant’s application automatically and the Tenant may be subject to proceedings for lease violations.

III. Written Permission Required – The Application (Continued)

As part of the Authority's review process of the Live-In Aide/Caretaker application, the Live-In Aide/Caretaker must complete and submit documents that will enable the Authority to obtain criminal history record information from the FBI, state, local police departments or other law enforcement agencies. The Authorization for the Release of Information and the Request for Criminal History Record Information for a Noncriminal Justice Purpose are attached to the application for request for Live-In Aide/Caretaker. Both the application for the Live-In Aide/Caretaker and the above named documents must be submitted to the Authority at the same time.

IV. ELIGIBILITY FACTORS

In determining the eligibility of the proposed Live-In Aide/Caretaker, the Authority will consider various factors, including but not limited to those listed below. However, this list is not to be construed as totally inclusive and there may be circumstances not listed which may be used for denial if the Authority determines that the Live-In Aide/Caretaker would have a detrimental effect on the health, safety or right to peaceful enjoyment of the premises by Tenants.

1. Whether the addition of the Live-In Aide/Caretaker is in compliance with Municipal Ordinances regarding occupancy limits of the unit;
2. The Authority's obligation to make reasonable accommodation for handicapped or disabled Tenants;
3. Whether the Live-In Aide/Caretaker has demonstrated the inability to conduct himself/herself in a manner that may impair the environment and/or security of Tenants residing in the development. This includes a record of serious disturbance of neighbors, destruction of property or other disruptive or dangerous behavior;
4. Whether the Live-In Aide/Caretaker has demonstrated, by past performance and behavior, that he/she is unlikely to obey all the rules and regulations as embodied in the existing Tenant's lease, as well as the rules and regulations embodied herein;
5. Whether the Live-In Aide/Caretaker has demonstrated, by past behavior, that he/she does not have the ability to maintain either the Tenant's apartment, as well as the common areas of the development in which the apartment is located, in a safe, healthy and sanitary condition;
6. Whether the Live-In Aide/Caretaker has been convicted of a drug-related criminal offense or violent criminal activity as set forth herein:

IV. *Eligibility Factors (Continued)*

- a. “Drug related criminal offense” is defined as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug; and
 - b. “Violent criminal activity” is defined as any criminal activity that has as one of its elements the use, attempted use or threatened use of physical force substantial enough to cause or be reasonably likely to cause serious bodily injury or property damage;
7. Whether the Live-In Aide/Caretaker is subject to a lifetime registration requirement under a State Sex Offenders’ Registration Program;
 8. Whether the Authority determines that the Live-In Aide/Caretaker is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other Tenants;
 9. Whether the Live-In Aide/Caretaker has been convicted of manufacturing or producing methamphetamine;
 10. Whether the Live-In Aide/Caretaker is or has been engaged in domestic violence, sexual assault, dating violence, and/or stalking;
 11. Whether there is evidence of a confirmed drug addiction, including but not limited to a record of arrest and/or conviction for possession by the Live-In Aide/Caretaker;
 12. Whether the Live-In Aide/Caretaker has or is currently engaged in other criminal activity that would threaten the health, safety, or right to peaceful enjoyment of the premises by other Tenants; or
 13. Whether the Live-In Aide/Caretaker has or is currently engaged in other criminal activity that would threaten the health or safety of any Authority employee, contractor, subcontractor or agent of the Authority.

Upon completion of the application process, the Authority will send written notification to the Tenant regarding the determination of eligibility of the Live-In Aide/Caretaker.

V. APPROVAL

If the Authority approves the Tenant's application, then the Live-In Aide/Caretaker may move into the Tenant's unit as of the date of the approval. Thereafter, the Tenant and the Live-In Aide/Caretaker must submit an updated application annually in conjunction with the Tenant's Continued Occupancy Form during the annual recertification. Please note, that the Authority reserves the right to determine, in its sole discretion, whether to request an updated Live-In Aide/Caretaker application prior to the submission of the Tenant's annual Continued Occupancy Form. All subsequent applications shall be reviewed by the Authority and either approved or denied. If denied, the Live-In Aide/Caretaker shall vacate the premises within ten (10) calendar days from the date of the said notification.

As part of the Authority's subsequent review process of the Live-In Aide/Caretaker renewal application, the Live-In Aide/Caretaker must complete and submit documents that will enable the Authority to obtain criminal history record information from the FBI, state, local police departments or other law enforcement agencies. The Authorization for the Release of Information and the Request for Criminal History Record Information for Noncriminal Justice Purpose are attached to the renewal application for request for Live-In Aide/Caretaker. Both the application for the Live-In Aide/Caretaker and all required documents must be submitted to the Authority at the same time.

VI. DENIAL

If the Authority denies the Tenant's application, the Authority will send a written notification to the Tenant stating the specific reasons for the denial. The notification will also explain the Tenant's right to request a grievance hearing pursuant to the Authority's Grievance Hearing Procedures' Policy. In this event, the denied Live-In Aide/Caretaker may not move into the Tenant's unit at all. However, the Tenant may submit another application requesting a new Live-In Aide/Caretaker.

In any case, if, after denial of the Tenant's application, the Tenant permits or otherwise allows the Live-In Aide/Caretaker to move into the unit, then the Authority will regard the Tenant to be in violation of his/her lease and the Tenant may be subject to proceedings for said lease violations.

VII. UNIT VACATE/REVOCATION OF STATUS

When the Tenant vacates the unit on a permanent basis for any reason, including death, the Live-In Aide must vacate the unit as well. The Live-In Aide/Caretaker has seven (7) calendar days, from the date that the Tenant vacates the unit, to complete his/her move from the unit. If the Tenant is placed in a hospital, nursing home, assisted living facility, rehabilitation facility or any other facility for the purpose of caring for or providing any assistance to the Tenant for more that two (2) weeks from the date of admission into such facility, the Live-In Aide/Caretaker will no longer be eligible to remain in the Tenant's unit unless and until the Tenant returns to the unit.

VII. *Unit Vacate/Revocation of Status (Continued)*

The Live-In Aide/Caretaker shall notify the Authority, in writing, within three (3) calendar days upon the Tenant's admission into such facility. In other words, it is the Live-In Aide/Caretaker's responsibility to notify the Authority in writing within the time frame specified regardless of the Tenant's anticipated length of stay within the facility. Failure to do so may result in the Authority's withdrawal of its permission to let the Live-In-Aide/Caretaker continue to reside in the Tenant's unit.

In addition, if the Live-In Aide/Caretaker engages in criminal activity, and/or abuses alcohol (or engages in a pattern of abuse) or a controlled substance (or engages in illegal use or pattern of illegal use) when the Authority reasonably believes such use or pattern of abuse may interfere with the health, safety or right to peaceful enjoyment of the Authority's public housing premises by other residents or employees of the Authority, the Authority has the right to revoke its permission for the specific Live-In Aide/Caretaker to remain in the Tenant's unit. The Authority reserves the right at any time to revoke an approved Live-In Aide/Caretaker Application for violating any terms of the Tenant's lease and/or any of the Authority's policies and rules and regulations.

VIII. INCORPORATION INTO LEASE

The initial Application for a Live-In Aide/Caretaker and all subsequent applications for the same, which have been submitted by the Tenant, will be made a part of the Tenant's Lease. Tenant acknowledges that the Authority relied upon the information submitted by Tenant as the basis to grant the Tenant's request for a Live-In Aide/Caretaker. If any representation on the application is determined to be misleading, incorrect or untrue, the Authority may, at its sole option, revoke an approved Live-In Aide/Caretaker application.

I/We have received a copy of Live-In Aide/Caretaker Policy and have had an opportunity to ask questions and gain an understanding about its contents.

*Signature of Tenant requesting
the Live-In Aide/Caretaker*

Date

Signature of Live-In Aide/Caretaker

Date

*Signature of Head of Household,
If not the same person as the requesting Tenant*

Date

HOUSING AUTHORITY OF THE CITY OF BAYONNE

VIOLENCE AGAINST WOMEN ACT (VAWA) POLICY

I. PURPOSE AND APPLICABILITY

The purpose of this policy (herein called "Policy") is to implement the applicable provisions of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Pub. L. 109-162), as amended to date, and more generally to set forth the Bayonne Housing Authority's (hereinafter referred to as the "BHA") policies and procedures regarding domestic violence, dating violence, sexual assault, and stalking, as hereinafter defined.

This Policy shall be applicable to the administration by the BHA of all federally subsidized public housing and Section 8 rental assistance under the United States Housing Act of 1937 (42 U.S.C. S1437 et seq.). Notwithstanding its title, this policy is gender-neutral, and its protections are available to males who are victims of domestic violence, dating violence, sexual assault, or stalking, as well as female victims of such violence.

Consistent with HUD'S Nondiscrimination and equal opportunity requirements, victims of domestic violence, dating violence, sexual assault and stalking cannot be discriminated against on the basis of any characteristic or trait protected under law, including race, color, religion, sex, disability, familial status, national origin, or age, and HUD programs must also be operated consistently with HUD's Equal Access Rule (HUD - assisted housing must be made available to all otherwise eligible individuals and families without regard to actual or perceived sexual orientation, gender identity or marital status).

II. GOALS AND OBJECTIVES

This Policy has the following principal goals and objectives:

- A. Maintaining compliance with all applicable legal requirements imposed by VAWA;
- B. Ensuring the physical safety of victims of actual or threatened domestic violence, dating violence, sexual assault, or stalking who are assisted by the BHA;
- C. Providing and maintaining housing opportunities for victims of domestic violence dating violence, sexual assault, or stalking;
- D. Creating and maintaining collaborative arrangements between the BHA, law enforcement authorities, victim service providers, and others to promote the safety and well-being of victims of actual and threatened domestic violence, dating violence, sexual assault, or stalking who are assisted by the BHA; and
- E. Taking appropriate action in response to an incident or incidents of domestic violence, dating violence, sexual assault, or stalking, affecting individuals assisted by the BHA.

III. RELATED BHA POLICIES AND PROCEDURES

This Policy shall be referenced in and attached to the BHA's Five-Year Public Housing Agency Plan and shall be incorporated in and made a part of the BHA's Admissions and Continued Occupancy Policy and the BHA's Section 8 Administrative Plan. The BHA's annual public housing agency plan shall also contain information concerning BHA's activities, services or programs relating to domestic violence, dating violence, sexual assault, and stalking. To the extent any provision of this policy shall vary or contradict any previously adopted policy or procedure of the BHA, the provisions of this Policy shall prevail.

IV. DEFINITIONS

Bifurcate - means the owner/agent has the right to divide a lease as a matter of law so that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

Dating Violence - means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:

- A. The length of the relationship;
- B. The type of relationship;
- C. The frequency of interaction between the persons involved in the relationship.

Domestic Violence - The term “domestic violence” includes felony or misdemeanor crimes committed by a current or former spouse, by an intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

Immediate Family Member - means a spouse, parent, brother, sister, or child of the person, or an individual to whom that person stands in loco parentis; or any other person living in the household of that person and related to that person by blood or marriage.

Imminent Threat – consists of a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm (24 CFR 5.2003).

Perpetrator - means a person who commits an act of domestic violence, dating violence, sexual assault, or stalking against a victim.

Sexual Assault - means any type of sexual contact or behavior that occurs without the explicit consent of the recipient of the unwanted sexual activity.

IV. *Definitions (Continued)*

Stalking - means to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; or to place under surveillance with the intent to kill, injure, harass or intimidate another person; or in the course of, or as a result of, such following, pursuit, surveillance or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to that person; a member of the immediate family of that person; or the spouse or intimate partner of that person.

V. **ADMISSIONS AND SCREENING**

Non-Denial of Assistance - The BHA will not deny admission to public housing or to the Section 8 rental assistance program to any person because that person is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, provided that such person is otherwise qualified for such admission.

Mitigation of Disqualifying Information - When so requested in writing by an applicant for assistance whose history includes incidents in which the applicant was a victim of domestic violence, the BHA, may, but shall not be obligated to, take such information into account in mitigation of potentially disqualifying information, such as poor credit history or previous damage to a dwelling. If requested by an applicant to take such mitigating information into account, the BHA shall be entitled to conduct such inquiries as are reasonably necessary to verify the claimed history of domestic violence and its probable relevance to the potentially disqualifying information. The BHA will not disregard or mitigate potentially disqualifying information if the applicant household includes a perpetrator of a previous incident of incidents of domestic violence.

VI. **TERMINATION OF TENANCY OR ASSISTANCE**

A. **VAWA Protections**

Under VAWA, public housing residents and persons assisted under the Section 8 rental assistance program have the following specific protections, which will be observed by the BHA:

1. Public housing and Section 8 rental assistance applicants may not be denied assistance and public housing and Section 8 assisted tenants may not have assistance terminated for factors resulting from the fact that the applicant or tenant is or has been a victim of a VAWA crime.

A. *VAWA Protections (Continued)*

2. An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be considered to be a "serious or repeated" violation of the lease by the victim or threatened victim of that violence and will not be good cause for terminating the tenancy or occupancy rights of or assistance to the victim of that violence.
3. In addition to the foregoing, tenancy or assistance will not be terminated by the BHA as a result of criminal activity, if that criminal activity is directly related to domestic violence, dating violence, sexual assault, or stalking engaged in by a member of the assisted household, a guest or another person under the tenant's control, and the tenant or an immediate family member is the victim or threatened victim of this criminal activity. However, the protection against termination of tenancy or assistance described in this paragraph is subject to the following limitations:
 - a. Nothing contained in this paragraph shall limit any otherwise available authority of the BHA or a Section 8 owner or manager to terminate tenancy, evict, or to terminate assistance, as the case may be, for any violation of a lease or program requirement not premised on the actor acts of domestic violence, dating violence, sexual assault, or stalking in question against the tenant or a member of the tenant's household. However, in taking any such action, neither the BHA nor a Section 8 manager or owner may apply a more demanding standard to the victim of domestic violence, dating violence, sexual assault, or stalking than that applied to other tenants.
 - b. Nothing contained in this paragraph shall be construed to limit the authority of the BHA or a Section 8 owner or manager to evict or terminate from assistance any tenant or lawful applicant if the owner, manager or the BHA, as the case may be, can demonstrate an actual and imminent threat to other tenants or to those employed at or providing service to the property, if the tenant is not evicted or terminated from assistance.

B. Removal of Perpetrator

Further, notwithstanding anything in paragraph VI.A.2. of the lease or Federal, State or local law to the contrary, the BHA or a Section 8 owner or manager, as the case may be, may bifurcate a lease, or remove a household member from a lease, without regard to whether a household member is a signatory to a lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in acts of physical violence against family members of others. Such action against the perpetrator of such physical violence may be taken without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also the tenant or a lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by law applicable to terminations of tenancy and evictions by the BHA. Leases used and, at the option of Section 8 owners or managers, for dwelling units occupied by families assisted with Section 8 rental assistance administered by the BHA, shall contain provisions setting forth the substance of this paragraph.

If a housing provider bifurcates a lease under VAWA, any remaining tenants without established program eligibility must be given either the maximum time permitted by program statute to establish eligibility, or find alternative housing. If no statutory prohibitions exist, at least 90 calendar days from the date of bifurcation or until expiration of the lease, depending on the program, must be provided.

VII. VERIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

Requirement for Verification: In cases of conflicting evidence, tenants and applicants who may need to submit third-party documentation to document occurrences of a VAWA crime, have 30 calendar days to submit the third-party documentation to the BHA. Tenants and applicants may choose which of the following forms of verification to give to the BHA.

1. A written certification, on a form approved by the U.S. Department of Housing and Urban Development (HUD), certifying that the individual is a victim of domestic violence, dating violence, sexual assault, or stalking; and that the incident or incidents in question are bona fide incidents of actual or threatened abuse meeting the requirements of the applicable definition(s) of VAWA crime set forth in this policy. The incident or incidents in question must be described in reasonable detail as required in the HUD-approved form, and the completed certification must include the name of the perpetrator.

VII. Verification of Domestic Violence, Dating Violence, Sexual Assault or Stalking (Continued)

2. Documentation signed by an a service provider, an attorney, a medical professional, or other responsible professional from whom the victim has sought assistance in addressing the domestic violence, dating violence, sexual assault, or stalking, or the effects of the abuse, described in such documentation. The professional providing the documentation must sign and attest under penalty of perjury (28 U.S.C. 1746) to the professional's belief that the incident or incidents in question are bona fide incidents of abuse meeting the requirements of the applicable definition(s) set forth in this policy. The victim of the incident or incidents of domestic violence, dating violence or stalking described in the documentation must also sign and attest to the documentation under penalty of perjury.
3. A law enforcement agency incident report or a court record describing the incident or incidents of VAWA crime.

The Executive Director of the BHA, may, with respect to any specific case, waive the above-stated requirements for verification and provide the benefits of this policy based on the victim's self- certification or other corroborating evidence. Waiver in a particular instance or instances shall not operate as precedent for, or create any right to, waiver in any other case or cases, regardless of similarity in circumstances.

VIII. CONFIDENTIALITY

A. Right of Confidentiality

All information (including the fact that an individual is a victim of domestic violence, dating violence or stalking) provided to the BHA or to a Section 8 owner or manager in connection with a survivor's self-certification or other form of verification required under this policy, or provided in lieu of such verification where a waiver of verification is granted, shall be retained by the receiving party in confidence and shall neither be entered in any shared database nor provided to any related entity, except where disclosure is:

1. Requested or consented to by the individual in writing, or
2. Required for use in a public housing eviction proceeding or in connection with termination of Section 8 housing assistance, as permitted in VAWA, or
3. Otherwise required by law.

VIII. *Confidentiality (Continued)*

B. Notification of Rights

All tenants of public housing and participants of the Section 8 rental assistance program administered by the BHA shall be notified in writing concerning their right to confidentiality and the limits on such rights.

C. Security

All information pertaining to the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking shall be maintained separately and securely by the BHA, unless such information is subject to the disclosure exceptions noted in this section.

IX. EMERGENCY TRANSFERS TO NEW RESIDENCE

A. Application for Emergency Transfer

In situations that involve significant risk of violent harm to an individual as a result of previous incidents or threats of domestic violence, dating violence, sexual assault, or stalking, the BHA will, if an approved unit size is available at a location that may reduce the risk of harm, approve transfer by a public housing tenant or Section 8 participant to a different unit in order to reduce the level of risk to the individual. A victim who requests transfer must attest in such application that the requested transfer is necessary to protect the health or safety of the tenant or another member(s) of the household who is or was the victim of domestic violence, dating violence, or stalking and who reasonably believes that the tenant or other household member will be imminently threatened by harm from further violence if the individual remains in the present dwelling unit.

B. Action on Applications for Transfer

The BHA will act promptly upon such application. Requests for emergency transfers must comply with the applicable requirements of the BHA's Emergency Transfer Plan, see copy attached hereto under **Appendix A**.

IX. *Emergency Transfers To New Residence (Continued)*

C. No Right to Transfer

The BHA will make every effort to accommodate requests for transfer when suitable alternative vacant units are available and the circumstances warrant such action. However, except with respect to portability of Section 8 assistance as provided in paragraph E. below the decision to grant or refuse to grant a transfer shall lie within the sole discretion of the BHA, and this policy does not create any right on the part of any applicant to be granted a transfer.

D. Family Rent Obligations

If a family occupying public housing moves before the expiration of the lease term in order to protect the health or safety of a household member, the family will remain liable for the rent during the remainder of the lease term unless released by the BHA. In cases where the BHA determines that the family's decision to move was reasonable under the circumstances, the BHA may wholly or partially waive rent payments and any rent owed shall be reduced by the amounts of rent collected for the remaining lease term from a tenant subsequently occupying the unit.

E. Portability

Notwithstanding the foregoing, a Section 8-assisted participant will not be denied portability to a unit located in another jurisdiction (notwithstanding the term of the tenant's existing lease has not expired, or the family has not occupied the unit for 12 months) so long as the participant has complied with all other requirements of the Section 8 program and has moved from the unit in order to protect the health or safety of an individual member of the household who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believes that the participant or other household member will be imminently threatened by harm from further violence if the individual remains in the present dwelling unit.

X. COURT ORDERS/FAMILY BREAK-UP

A. Court Orders

It is the BHA's policy to honor orders entered by courts of competent jurisdiction affecting individuals assisted by the BHA and their property. This includes cooperating with law enforcement authorities to enforce civil protection orders issued for the protection of victims and addressing the distribution of personal property among household members in cases where a family breaks up.

X. *Court Orders/Family Break-Up (Continued)*

B. Family Break-Up

Other BHA policies regarding family break-up are contained in the BHA's Public Housing Admissions and Continuing Occupancy Policy (ACOP) and its Section 8 Administrative Plan.

XI. RELATIONSHIPS WITH SERVICE PROVIDERS

It is the policy of the BHA to cooperate with organizations and entities, both private and governmental, which provide shelter and/or services to victims of domestic violence. If the BHA staff become aware that an individual assisted by the BHA is a victim of domestic violence, dating violence, sexual assault or stalking, the BHA will refer the victim to such providers of shelter or services as appropriate. Notwithstanding the foregoing, this Policy does not create any legal obligation requiring the BHA either to maintain a relationship with any particular provider of shelter or services to victims of domestic violence, dating violence, sexual assault, or stalking, or to make a referral in any particular case. The BHA's annual public housing agency plan shall describe providers of shelter or services to victims of domestic violence with which the BHA has referral or other cooperative relationships.

XII. NOTIFICATION

The BHA shall provide its public housing residents and Section 8 recipients with the “Notice of Occupancy Rights” and accompanying certification form at the time of lease-up and in conjunction with the annual recertification process.

Public housing and Section 8 applicants, tenants/Section 8 participants, and Section 8 property owners and managers, will also be provided with informational material concerning the rights and obligations of occupancy created under VAWA, and the specific protections afforded to victims under the VAWA.

XIII. RELATIONSHIP WITH OTHER APPLICABLE LAWS

Neither VAWA nor this Policy implementing it shall preempt or supersede any provision of Federal, State or local law that provides greater protection than that provided under VAWA for victims of domestic violence, dating violence, sexual assault or stalking.

XIV. AMENDMENT

This policy may be amended from time to time by the BHA to comply with changes in HUD regulation or as approved by the BHA Board of Commissioners.

Appendix A

Emergency Transfer Plan For Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

The Bayonne Housing Authority (BHA) wants public housing tenants and participants in the Section 8 rental assistance program to safely reside in the apartment. In accordance with the Violence Against Women Act (VAWA), the BHA allows tenants and Section 8 participants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from their current dwelling unit to another public housing or Section 8 rental assistance unit. The ability to request an emergency transfer under this plan is regardless of sex, gender identity, or sexual orientation. However, approval of the emergency transfer request may be dependent upon a preliminary determination that the requestor is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, as well as the availability of another dwelling unit to offer the victim as either a temporary or permanent residence.

The Emergency Transfer Plan defines tenants/Section 8 participants eligibility for an emergency transfer; the documentation needed to request an emergency transfer; confidentiality protections; the process under which an emergency transfer may occur, and; provides guidance to tenants/Section 8 participants on safety and security issues. The Plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the Federal agency that oversees the BHA's compliance with the VAWA.

I. ELIGIBILITY FOR EMERGENCY TRANSFERS

A public housing tenant or Section 8 participant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as codified at 24 CFR Part 5, Subpart L, is eligible for an emergency transfer, if: the tenant/Section 8 participant reasonably believes that there is a threat of imminent harm from further violence if they remain in the same dwelling unit. If the tenant/Section 8 participant is a victim of sexual assault, the tenant/Section 8 participant may also be eligible for an emergency transfer if the sexual assault occurred on the premises during the 90 calendar-day period preceding a request for an emergency transfer.

A tenant/Section 8 participant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this Emergency Transfer Plan.

Tenants/Section 8 participants who are not in good standing with the BHA may still be eligible for an emergency transfer if they meet the requirements set forth in this Plan.

II. EMERGENCY TRANSFER REQUEST DOCUMENTATION

To request an emergency transfer, the tenant/Section 8 participant shall notify the BHA's administrative office via a written request for a transfer under VAWA submitted to P.O. Box 277 in Bayonne, NJ 07002. The BHA will provide reasonable accommodations to this policy for individuals with disabilities.

The written request for an emergency transfer should include either:

1. A statement expressing that the tenant/Section 8 participant reasonably believes that there is a threat of imminent harm from further violence if the tenant/Section 8 participant were to remain in the dwelling unit currently assisted by the BHA; or
2. A statement that the tenant/Section 8 participant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's/Section 8 participant's request for an emergency transfer.

III. CONFIDENTIALITY

The BHA will keep any information submitted by the tenant/Section 8 participant requesting an emergency transfer confidential unless the tenant/Section 8 participant gives the BHA written permission to release the information. Otherwise, information will only be disclosed if required by law, or for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the location of the new dwelling unit of the tenant/Section 8 participant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault or stalking against the tenant/Section 8 participant. See the Notice of "Occupancy Rights under the Violence Against Women Act For All Tenants" for more information about the BHA's responsibility to maintain the confidentiality of information under VAWA.

IV. EMERGENCY TRANSFER TIMING AND AVAILABILITY

The BHA cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. The BHA will, however, act as quickly as possible to move a tenant/Section 8 participant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safe location of the unit. If a tenant/Section 8 participant reasonably believes a proposed transfer would not be safe (i.e. located in the same area as the perpetrator), they may request a transfer to a different unit. If another unit is available, the transferred tenant/Section 8 participant must agree to abide by the terms and conditions that govern occupancy in the unit to which they have been transferred. The BHA may be unable to transfer a tenant/Section 8 participant to a particular unit if they have not or cannot establish eligibility for that unit.

IV. Emergency Transfer Timing and Availability (Continued)

If the BHA does not have a unit available that an eligible tenant/Section 8 participant requesting an emergency transfer feels is safe (i.e. located in the same area as the perpetrator), the BHA will assist the tenant/Section 8 participant in identifying other housing providers who may have safer and available units to which the tenant/Section 8 participant could move.

On request, the BHA will also assist tenants/Section 8 participants in contacting local and state organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking. A list of local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking is also available on request, at the BHA's main administrative office.

V. INTERNAL EMERGENCY TRANSFER

An internal emergency transfer is a move of a tenant to another unit assisted under the same program where the tenant would not be categorized as a new tenant. For example, a move from one public housing unit to another public housing unit of the appropriate size owned by the same PHA. The tenant is allowed to make an internal emergency transfer under VAWA when a safe unit is immediately available. Immediately available is defined as a vacant unit, ready for move-in within a reasonable period of time. A victim determines whether the unit is safe (24 CFR 5.2005 (e)(1)(iii)).

If an available vacant unit is not immediately move-in ready, the BHA may offer the unit to the tenant provided that there are no health and safety violations. In this case, the BHA will continue to make repairs while the tenant occupies the safe unit. The BHA will also take reasonable efforts to assist a tenant who wishes to make an external emergency transfer.

VI. EXTERNAL EMERGENCY TRANSFER

Qualifying for an emergency transfer **does not guarantee continued assistance** under the Public Housing or Housing Choice Voucher (Section 8) Programs or under a transfer to another covered housing program. The emergency transfer requirements do not supersede any eligibility or occupancy requirements that may apply under a covered housing program.

An external emergency transfer refers to an emergency transfer of a tenant to another unit or form of assistance where the tenant would be categorized as a new applicant. For example, a move from a public housing unit owned by the BHA to a private market housing unit under the Housing Choice Voucher (Section 8) Program, if a voucher is available. The BHA will also provide the tenant with a list of referrals to organizations that assist or provide resources to victims of domestic violence, dating violence, sexual assault, or stalking.

If the tenant is seeking an external emergency transfer under VAWA out of the BHA's public housing program or unit to a public or affordable housing unit owned by another agency, the BHA will provide the victim with a form that they may share with prospective housing providers indicating that the victim is eligible for an emergency transfer, and is seeking an external emergency transfer because a safe unit is not immediately available.

VII. SAFETY AND SECURITY OF TENANTS

Pending processing of the emergency transfer and the actual transfer, if it is approved and occurs, the tenant/Section 8 participant is urged to take all reasonable precautions to be safe.

Tenants/Section 8 participants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse & incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online>.

Tenants/Section 8 participants who are or have been victims of stalking and are seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at: <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

HOUSING AUTHORITY OF THE CITY OF BAYONNE

TENANT GRIEVANCE PROCEDURE

I. PURPOSE

This procedure has been adopted to ensure that a resident is afforded an opportunity to seek the settlement of individual Grievances (as defined in Section V hereof) against the Housing Authority of the City of Bayonne, hereinafter referred to as the "BHA" and/or the "Authority."

II. GOVERNING LAW

The law governing this Grievance Procedure is Section 6 (K) of the U.S. Housing Act of 1937 (42 U.S.C. sec. 1437d (k) and Subpart B of 24 CFR part 966 (24 CFR secs. 966.50-966.57) or as amended subsequently.

III. APPLICABILITY

In accordance with the applicable federal regulations, this grievance procedure shall be applicable to all individual grievances between tenants of low-income housing and the BHA with the following two exceptions:

- A. This procedure is not applicable to disputes between tenants not involving BHA or to class disputes involving groups of tenants. Also, this procedure is not intended as a forum for initiating or negotiating policy changes between tenants or groups of tenants and BHA Board of Commissioners.

- B. The United States Department of Housing and Urban Development ("HUD") has issued a due process determination that the law of the State of New Jersey requires that tenants be given the opportunity for a hearing in court which provides the basic elements of due process (as defined in Section V below) before eviction from a dwelling unit. Therefore, the BHA has determined that this grievance procedure shall not be applicable to any termination of tenancy eviction that involves:
 - (1) Any activity that threatens the health, safety or right to peaceful enjoyment of the BHA's premises by other tenants or employees of BHA; or
 - (2) Any drug-related criminal activity on or off BHA's premises, after the expiration of the tenancy termination date set forth in the notice.

IV. RIGHT TO A HEARING

Upon the filing of a written request as indicated in these procedures, a tenant shall be entitled to a hearing before a hearing officer.

V. DEFINITIONS

The following definitions of terms shall be applicable to this grievance procedure:

- A. **Administration Office:** 549 Avenue A, P.O. Box 277, Bayonne, NJ, 07002.
- B. **Authority:** The Housing Authority of the City of Bayonne, a body corporate and politic, organized and existing under the laws of the State of New Jersey.
- C. **BHA:** The Authority.
- D. **CFR:** The Code of Federal Regulations which contains the federal regulations governing this Grievance procedure.
- E. **Complainant:** Any tenant (as defined in this section below) whose grievance is presented to the Administration Office of BHA in accordance with the requirements set forth in this procedure.
- F. **Drug-related criminal activity:** Means the illegal manufacture, sale, distribution or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.
- G. **Elements of due process:** The following procedural safeguards are required to be followed in an eviction action or a termination of tenancy in a state or local court:
 - 1. Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction;
 - 2. Right of the tenant to be represented by counsel;
 - 3. Opportunity for the tenant to refute the evidence presented by the BHA including the right to confront and cross examine witnesses and to present any affirmative legal or equitable defense which the tenant may have; and
 - 4. A decision on the merits.
- H. **Grievance:** Any dispute which a tenant may have with respect to an action or a failure to act by BHA in accordance with the individual tenant's lease or BHA regulations which affect adversely the individual tenant's rights, duties, welfare or status. Grievance does not include any dispute a tenant may have with the BHA concerning a termination of tenancy or eviction that involves any activity that may threaten the health, safety, or right to peaceful enjoyment of the BHA's public housing premises by other tenants or employees of the BHA, or any criminal activity or drug-related criminal activity on or off such premises. A grievance also does not include disputes between tenants.

V. *DEFINITIONS (Continued)*

- I. **Hearing Officer:** An impartial person or persons selected by the BHA, other than the person who made the decision under review, or a subordinate of that person. Can include a single hearing officer or a panel of hearing officers.
- J. **HUD:** The United States Department of Housing and Urban Development.
- K. **Notice:** As used herein, the term shall, unless otherwise specifically provided, mean written notice.
- L. **Promptly:** means within five (5) business days from the date of mailing the adverse action or grievable complaint.
- M. **The “Regulations”:** The HUD regulations contained in Subpart B of 24 CFR Section 966, as may be amended subsequently.
- N. **Tenant:** The adult (or persons 18 years of age or older) (other than a live-in aide):
 - 1. Who resides in the premises and who executed the lease with the BHA as a lessee of the premises; or
 - 2. If no such person now resides in the premises, then the person who resides in the premises and who is the remaining head of household of the tenant family.
- O. **Tenant Organization:** The one representative organization at each BHA development.

VI. **INCORPORATION INTO LEASES**

This grievance procedure shall be incorporated by reference in to all leases between tenants and BHA whether or not so provided specifically in such leases.

VII. **PROCEDURES PRIOR TO A HEARING**

- A. **Initial Presentation:** Any grievances shall be presented promptly, in writing, to BHA's Administration office, so that the grievance may be discussed informally and settled without a hearing. This action shall occur promptly (as defined in Section V, paragraph L).
- B. **Informal Settlement of Grievance:** If the grievance is not determined by BHA to fall within one of the two exclusions mentioned in Section III, B (1) and III, B (2) above, the BHA will, within a reasonable time frame after the initial presentation of the grievance, discuss informally the grievance with the complainant or his/her representative in the attempt to settle the grievance without the necessity of a formal hearing.

VII. PROCEDURES PRIOR TO A HEARING (Continued)

- C. **Written Summary:** After the informal settlement conference, a written summary of the informal discussion shall be prepared within a reasonable time by BHA and a copy thereof shall be provided to the complainant and one (1) copy retained in the BHA's tenant file. The summary shall specify the names of the participants in the discussion, the date of the discussion, the nature of the proposed disposition of the complaint, and the specific reasons for such disposition.

The summary shall specify the procedures by which a hearing under these procedures may be obtained if the tenant is not satisfied. The purpose of this informal settlement of grievance is to allow the tenant and the BHA to discuss informally an issue without the need for third parties, including witnesses or representatives to be involved. At any time that a third party, including a witness or representative, becomes or should become involved in the process, the informal settlement conference shall become a "hearing" and the procedures found in Section VIII hereof shall apply. The BHA shall notify the tenant of the date and time that the hearing will take place.

VIII. PROCEDURES TO OBTAIN A HEARING

- A. **Request for a Hearing:** If a complainant is not satisfied with the results of the informal settlement of grievance provided for in Section VII, the complainant must submit a written request for a formal hearing to BHA's Administration Office within five (5) business days from date of mailing of the summary of discussion pursuant to Section VII. The written request shall specify:
1. The reasons for the grievance; and
 2. The action or relief sought.
- B. **Selection of Hearing Officer:** A grievance hearing shall be conducted by an impartial person appointed by the BHA other than a person who made or approved the BHA action under review or a subordinate of such person.
- C. **Failure to Request a Hearing:** If the complainant fails to request a hearing in accordance with this section, the BHA's decision rendered at the informal hearing shall become final and BHA is not obligated thereafter to offer the complainant a formal hearing. However, failure to request a hearing shall not constitute a waiver by the tenant of the right thereafter to contest the BHA's action in disposing of the complaint in an appropriate judicial proceeding.

VIII. PROCEDURES TO OBTAIN A HEARING (Continued)

- D. **Hearing Prerequisites:** All grievances shall be presented promptly, in writing, pursuant to the informal procedure prescribed in Section VII as a condition precedent to a hearing under this section. However, if the tenant shows good cause why there was failure to proceed in accordance with Section VII to the hearing officer, the provisions of this subsection may be waived by the hearing officer.
- E. **Escrow deposit:** Before a hearing is scheduled in any grievance involving the amount of rent, as defined in the lease which the BHA claims is due, the tenant shall pay to the BHA an amount equal to the amount of the rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. The tenant shall thereafter deposit monthly the same amount of the monthly rent in an escrow account held by the BHA until the complaint is resolved by decision of the hearing officer. Amounts deposited into the escrow shall not be considered as acceptance of money for rent during the period in which the grievance is pending.

The BHA will waive the requirement for an escrow deposit as required under 24 CFR Section 5.616 concerning financial requirements or 24 CFR Section 5.618 concerning reduction in welfare benefits related to work requirements or if it is requested in connection with a minimum rent hardship exemption under 24 CFR Section (966.55 (e) (2). Unless so waived, the failure to make such payments shall result in a termination of the grievance procedure. However, failure to make payment shall not constitute a waiver of any right the tenant may have to contest the BHA's disposition of his/her grievance in any appropriate judicial proceeding.

- F. **Scheduling of Hearings:** Upon the tenant's compliance with this Section, or upon the BHA notifying the tenant or his/her representative that a hearing will be held, a hearing shall be scheduled promptly by the hearing officer for a time and place mutually convenient to both the tenant and the BHA. A written notification specifying the date, time, place and the procedures governing the hearing shall be delivered by regular and certified mail to the tenant and the appropriate BHA official.

IX. PROCEDURES GOVERNING HEARINGS

Fair hearings: The hearings shall be held before a hearing officer as described in Section VIII above.

A. **The complainant shall be afforded a fair hearing, which shall include:**

1. The opportunity to examine before the hearing any BHA documents, including records and regulations that are directly relevant to the hearing. Any and all requests for records and regulations shall be requested in writing no later than two (2) business days prior to the scheduled hearing. The complainant will be allowed to copy such documents at the complainant's expense. The cost of any copies shall be twenty-five (25) cents per copy, if the BHA does not make the document available for examination upon request by the tenant, the BHA may not rely on such document at the grievance hearing;

A. *The complainant shall be afforded a fair hearing, which shall include (Continued)*

2. The right to be represented by counsel, or other person chosen as the tenant's representative, and to have such person make statements on the tenant's behalf;
3. The right to a private hearing unless the tenant requests a public hearing;
4. The right to present evidence and arguments in opposition to evidence relied on by BHA and to confront and cross-examine all witnesses upon whose testimony or information the BHA relies; and
5. A decision based solely and exclusively upon the facts presented at the hearing.

B. Accommodation to Handicapped Persons:

1. The BHA shall provide reasonable accommodation for persons with disabilities to participate in the hearing. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations or attendants.
2. If the tenant is visually impaired, any notice to the tenant that is required by these procedures must be in an accessible format.

C. Required Showing of Entitlement to Relief: At the hearing, the complainant must first make a showing of an entitlement to the relief sought and, thereafter, BHA must sustain the burden of justifying BHA's action or failure to act against which the complaint is directed.

D. Prior Decision in Same Matter: The hearing officer may render a decision without proceeding with the hearing if he/she determines that the issue has been decided previously in another proceeding.

E. Failure to Appear: If the complainant fails to appear at a scheduled hearing, the hearing officer may make a determination to postpone the hearing or may make a determination that the complainant has waived the right to a hearing. In such event, the hearing officer shall notify the complainant and BHA of the determination.

F. Informality of Hearing: The hearing shall be conducted informally by the hearing officer and oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings.

G. Orderly Conduct Required: The hearing officer shall require BHA, the complainant, counsel and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the hearing officer to maintain order may result in the exclusion from the proceedings or in a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate.

IX. PROCEDURES GOVERNING HEARINGS (Continued)

- X. **Transcript of Hearing:** The complainant or the BHA may arrange in advance, and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript at twenty-five (25) cents per page.

X. DECISION OF THE HEARING OFFICER

- A. Subsequent to the completion of the grievance hearing, the hearing officer shall make a determination as to the merits of the grievance and shall prepare a written decision, together with the reasons for the decision, not to exceed ten (10) calendar days after the completion of the hearing. A copy of the decision shall be sent to the BHA. A copy of such decision, shall also be maintained on file by the BHA and made available for inspection by a prospective complainant, his representative, or the hearing officer.
- B. The decision of the hearing officer shall be binding on the BHA which shall take all actions, or refrain from any actions, necessary to carry out the decision unless the BHA's Board of Commissioners determines within a reasonable time, and promptly notifies the complainant of its determination, that:
1. The grievance does not concern the BHA action or failure to act in accordance with or involving the tenant's lease or BHA regulations, which adversely affect the tenant's rights, duties, welfare or status; or
 2. The decision of the hearing officer is contrary to applicable federal, state, or local law, BHA regulations or requirements of the Annual Contributions Contract between the BHA and the U.S. Department of Housing and Urban Development.
- C. The decision by the hearing officer or Board of Commissioners in favor of the BHA or which denies the relief requested by the tenant in whole or in part shall not constitute a waiver of, nor affect in any manner whatsoever, any rights the tenant may have to a trial de novo or judicial review in any judicial proceeding, which may thereafter be brought in the matter.

XI. NOTICES

All notices under this grievance procedure shall be deemed delivered:

1. Upon personal service thereof upon the complainant or an adult member of the complainant's household, which personal service may include, if necessary, affixing said notice to complainant's unit door;
2. Upon the date receipted for or refused by the addressee, in the case of verified or registered U.S. mail; or
3. On the second day after the deposit thereof for mailing, postage prepaid, with the U.S. Postal Service if mailed by first class mail other than certified or registered mail.

XII. MODIFICATION

This grievance procedure may not be amended or modified except by approval of the BHA's Board of Commissioners present at a regular meeting or a special meeting. Further, in addition to the foregoing, any changes proposed to this grievance procedure must provide for at least thirty (30) calendar days advance written notice to tenants and tenant organizations, setting forth the proposed changes and providing an opportunity to present written comments. The comments submitted shall be considered by BHA before final adoption of any amendments thereto.

XIV. MISCELLANEOUS

A. **Concurrent Notice:** If a tenant has filed a request for a grievance hearing hereunder in a case involving BHA's notice of termination of tenancy, the complainant should be aware that the State law notice to vacate and the notice of termination of tenancy required under Federal law run concurrently.

I / We have received a copy of this amended Tenant Grievance procedure and have had an opportunity to ask questions about the procedure.

All adult (anyone 18 years of age or older) household members must sign below.

Tenant (Head of Household) Signature

Date

Tenant (18 years of age or older) Signature

Date

Tenant (18 years of age or older) Signature

Date

Tenant (18 years of age or older) Signature

Date

Tenant (18 years of age or older) Signature

Date

Tenant (18 years of age or older) Signature

Date

Housing Authority of the City of Bayonne

By: _____
John T. Mahon, Executive Director

THIS DOCUMENT IS BEING EXECUTED IN 2 (TWO) ORIGINALS

HOUSING AUTHORITY OF THE CITY OF BAYONNE

DWELLING LEASE

1. **IDENTIFICATION OF PARTIES AND PREMISES.** The Housing Authority of the City of Bayonne, hereafter referred to as the ("Authority") does hereby lease these low-income housing.

Street Address:		Apartment Number:	Bedroom Size:
City: BAYONNE		State: NEW JERSEY	Zip Code: 07002
Cell Phone#	Home Phone#	Work Phone#	E-MAIL (Head of Household):

Please provide below an E-MAIL address for each member over the age of 18:

E-MAIL (Other adult):	E-MAIL (Other adult):	E-MAIL (Other adult):
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to be occupied solely by: _____

("THE APARTMENT") and the specific members of his or her household listed below. Tenant agrees that the household members listed below are (collectively referred to as "TENANT") the only persons who are permitted to reside in the Apartment. This provision permits reasonable accommodation of Tenant's guests or visitors for a period not exceeding fourteen (14) calendar days each year. All members of the household over age 18 shall execute this Lease Agreement, hereinafter referred to as the "LEASE".

FAMILY COMPOSITION: (PLEASE INCLUDE MAIDEN NAME) List persons who will reside in the unit/apartment. Use legal names as they appear on social security cards						
	NAME OF FAMILY MEMBER	RELATIONSHIP	BIRTH DATE	AGE	SEX	SS# (LAST FOUR DIGITS)
1		HEAD				XXX - XX -
2						XXX - XX -
3						XXX - XX -
4						XXX - XX -
5						XXX - XX -
6						
7						

2. **LEASE TERM AND RENEWAL:** The Authority hereby rents, demises and leases the premises described above to the Tenant for the following term (subject to earlier termination as hereinafter provided in Section 13 (Termination of Lease)). The term of this lease shall be for one year beginning _____ and continue until _____

At the expiration of that term, the lease will be renewable for subsequent one-year terms. Unless the tenant fails to renew annually by signing a continued Occupancy Form, then the lease will become a month to month tenancy, with the rest of the Lease remaining the same. Although the lease term is for one year, the lease may be modified at any time by written agreement of the tenant and the Authority. Failure by a tenant to accept a lease revision is grounds for lease termination in accordance with Section 13, paragraph 16 of this lease.

The Authority may not renew the lease if the family has violated the requirement for resident performance of community service or participation in an economic self-sufficiency program.

In the event of the Tenant's eviction or the termination of the tenancy, the Tenant will remain liable for the payment of rent and costs due to the Authority through the date of eviction or the termination of the tenancy.

Modifications to the lease shall be made pursuant to Section 15 of this lease. Provisions of this lease may be renewed by incorporation of this document into a lease amendment that sets forth any new or changed provisions of the lease.

3. **RENT AND LATE CHARGES:** Rent for the month of JULY 2020 shall be immediately payable in the pro-rated amount of \$ _____ thereafter, the monthly rent payment of \$ _____ shall be due and payable in advance on the first (1st) day of each month. This rent will remain in effect until adjusted in accordance with the provisions of this Lease. If the rent is not paid by the fifth (5th) working day of the month, a late fine of twenty-five (\$25.00) dollars will be charged. This provision does not create a "grace period". This late fine will be considered additional rent, due and payable immediately. Rent may be paid by check, money order or cash. A return check charge of thirty (\$30.00) dollars will be assessed to Tenant's account. If two (2) checks are returned for insufficient funds, during your tenancy, the Authority will no longer accept personal checks.

Tenants are required to pay a minimum rent of fifty (\$50.00) dollars unless a hardship exemption is requested and granted by the Authority, in accordance with the United States Department of Housing and Urban Development (HUD) regulations and the Authority's Admissions and Occupancy Policy.

The Authority may not renew the lease if the family has violated the requirement for resident performance of community service or participation in an economic self-sufficiency program.

4. **ADDITIONAL RENT:** Charges assessed to Tenants pursuant to Paragraph 6 will be considered additional rent due and payable within the first five (5) working days of the month. Immediately thereafter, the Authority will commence eviction proceedings against Tenant. Additional court costs will be added to Tenant's account. Once eviction proceedings have commenced, no partial payment of rent will be accepted.
5. **UTILITIES:** The Authority will furnish without additional charge the following: Heat, electricity, gas, hot and cold water. Utilities are to be furnished to, at least, the extent required by law. Electricity is that utilized by standard electrical appliances. An excess charge will be imposed on Tenant for the electricity used by any major Tenant-supplied appliance(s). It should be noted that Tenant is not permitted to own, operate or keep a washing machine, dryer or dishwasher in the apartment. These excess utility charges are posted in the office of the Authority. The Authority is not responsible for the failure to furnish such utilities if the cause is beyond the control of the Authority. The Authority will provide a working stove and a working refrigerator. Tenant installed stoves are prohibited. Other major electrical appliances, such as, air conditioners, air coolers and freezers may be installed and operated only with the written approval of the Authority. An excess utility charge will be imposed upon Tenant for the electricity used for the Tenant-supplied appliance such as an air conditioner or freezer. The air conditioner may not be more than 7 ½ amps. Any appliance found to cause excessive breaks in electrical service will result in a charge to Tenant. Tenant agrees not to waste the utilities provided by the Authority and to comply with any applicable law, regulation, or guideline of any governmental entity regulating utilities or fuels. Tenant also agrees to abide by any local ordinance or of the Authority rules restricting or prohibiting the use of space-heaters in multi-dwelling units.
6. **OTHER CHARGES:** In addition to rent, Tenant is responsible for the payment of certain other charges specified in this Lease. The type(s) and amounts of other charges are listed in the Tenant Handbook annexed to this lease as Appendix A, incorporated by reference and made a part hereof (the "Handbook"). Other charges may include, but not be limited to maintenance costs. These are defined as: The cost of services for repairs due to intentional or negligent damage to the dwelling unit, common areas or grounds beyond normal wear and tear, caused by Tenant, household members or by guests. When the Authority determines that needed maintenance is not caused by normal wear and tear, Tenant shall be charged for the cost of such service, either in accordance with the Schedule of Maintenance Charges posted by the Authority in a conspicuous manner in the Administrative Office or for work not listed on the Schedule of Maintenance Charges, based upon the actual cost to the Authority for the labor and materials needed to complete the work. If overtime work is required, overtime rates also shall be charged to Tenant.

6(a) LEGAL FEES

The Authority will charge any tenant the sum of \$150,000 per court appearance in the event that the Authority must enforce the terms of the lease against the tenant. In the event that the Authority brings a civil suit against a tenant for the collection of any debt incurred by tenant pursuant to the terms of this lease, then the Authority reserves the right to seek reasonable legal fees from that tenant related to the enforcement of the Authority's rights. This provision is to become effective on July 1, 2002 hereunder.

7. **REDETERMINATION OF RENT AND DWELLING SIZE AND ELIGIBILITY:** The rent amount as fixed in Section 3 of the Lease is due each month until charged as described below:
 - A. The status of each family is to be re-examined, at least, once a year for all Tenants who are paying an income-based rent.
 - B. Tenant is required to supply the Authority, when requested, with accurate information about: household composition, age of household members, income and source of income of all household members, assets, and related information necessary to determine eligibility, annual income, adjusted income and rent.

Tenants are required to report all changes in family income during the term of the lease with the exception of Tenants who elect to pay a flat rent. In the case of a **flat rent**, the Tenant will be required to report information on family income only once every three-year period unless the tenant experiences a decrease in income and requests to return to an income-based rent. The Tenant is required to sign and complete a Continued Occupancy form each year and report changes in family composition.

Failure to supply such information, when requested, is a serious violation of the terms of the Lease which may result in the Authority terminating the Lease.

All information must be verified. Tenant agrees to comply with the Authority's requests for verification by signing releases for third-party sources, presenting documents for review or providing other suitable forms of verification. The Authority shall give Tenant reasonable notice of what actions Tenant must take and of the date by which any such action must be taken for compliance under this section. This information will be used by the Authority to decide whether the amount of the rent should be changed and whether the dwelling size is still appropriate for Tenant's

needs. This determination will be made in accordance with the approved Schedule of Rents and Statements of Income and Occupancy Limits, available in the Administrative Office of the Authority. Tenant acknowledges that apartment size is determined by the number of people in the household. If Tenant's needs require a different size unit, Tenant agrees to move when the Authority makes such a unit available within fourteen (14) calendar days from the date of notice. Failure to accept an alternative apartment shall be grounds for termination of tenancy and eviction. Under the income-based rent option, the status of the family will be re-examined, at least, once a year.

A. **RENT DETERMINATION:** A rent, as fixed in Section 3 of the Lease or as adjusted pursuant to Section 7 of the Lease, will remain in effect for the period between regular rent recertification unless, during such period:

- (1) Tenant can show loss of or addition of a principal wage earner through marriage, divorce, death or extenuating circumstances. **A person may only be added to the lease upon approval as stated in Section 9, Paragraph X of this Lease.**
- (2) Tenant or a member of Tenant's household enters the military service.
- (3) Tenant or member of Tenant's household becomes unemployed in excess of thirty (30) days, re-employed or retired.
- (4) Tenant begins to receive public assistance or his/her public assistance is adjusted or his/her public assistance is terminated. Such a change must be reported to the Authority within ten (10) calendar days of its occurrence. However, if such an adjustment or termination results from Tenant's non-compliance with or violation of applicable rules and regulations, for example the Tenant's failure to participate in an economic self-sufficiency program or comply with work activities requirements or fraud by the family, the Authority will not grant any adjustment of rent.
- (5) A request for an interim adjustment due to a change in household income must be submitted to the Authority no later than the (15th) of any month in order for a change to take effect for the following month.
- (6) If it is found that Tenant misrepresented to the Authority the facts upon which his rent is based, so that the rent he is paying is less than he should have been charged, the Authority will back charge Tenant for any sums that should have been paid. In the case of a rent increase due to misrepresentation, failure to report a change in household composition, or failure to report an increase in income (after a deduction in rent per the fixed rent policy), the Authority shall apply the increase in rent retroactive to the first of the month following the month in which the misrepresentation occurred.

Rent Formulas or procedures may be changed by Federal law or regulation. This Lease shall be subject to all new changes automatically, without the need to notify each Tenant of the changes in the law.

- (7) Tenant may report any decrease in income or any change in other factors considered in calculating Tenant's rent. If the decrease in income or change in other factors will last more than sixty (60) calendar days, the Authority will verify the information and make the appropriate reduction.
- (8) **Minimum Rent Exemptions:** The Authority shall grant an exemption from the minimum rent fifty dollars (\$50.00) dollars to any family making a request in writing, in accordance with the Authority's policy who is unable to pay the minimum rent payment because of financial hardship, which shall include:
 - (a) The family has lost eligibility for, or is awaiting an eligibility determination for a federal, state, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Naturalization Act who would be entitled to public health benefits but for Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996;
 - (b) The family would be evicted as a result of the implementation of the minimum rent;
 - (c) The income of the family has decreased because of changed circumstances, including loss of employment;
 - (d) A death in the family has occurred which affect the family circumstances; or
 - (e) Other circumstances which may be decided by the Authority on a case by case basis.

All of the above must be proven by the Tenant by providing verifiable information in writing to the Authority prior to the rent being delinquent and before the lease is terminated by the Authority. If a Tenant requests a hardship exemption under this section, and the Authority reasonably determines the hardship to be of a temporary nature, exemption shall not be granted during a ninety-day (90) period beginning upon the making of the formal request for the exemption. A Tenant may not be evicted during the ninety-day period (90) for nonpayment of rent. In such a case, if the Tenant thereafter demonstrates that the alleged hardship is of a long-term nature and not temporary, the Authority shall exempt retroactively the Tenant from the minimum rent requirement for the ninety-day (90) period past. This paragraph does not restrict nor prohibit the Authority from taking legal action to the Tenant for other violations of the lease.

(9) **RENT AND RENT CHOICE:** The amount payable monthly by the family as rent to the Authority is the rent selected annually by the family from the options offered under the Authority's rent policies:

(a) **FLAT RENT:** A flat rent is the amount of tenant rent based upon the market value of the unit, as determined by the Authority. If the Authority determines that the family is unable to pay the flat rent because of financial hardship, the Authority will immediately switch the family's rental payment from flat to income based rent. A financial hardship must include:

- (1) The income of the family decreased due to loss or reduction of employment;
- (2) A death in the family or loss of assistance;
- (3) An increase in the family's medical, child care, transportation, or education costs; or
- (4) Other circumstances as determined by the Authority.

(b) **INCOME-BASED RENT:** An income base rent is the amount of tenant rent based upon thirty percent (30%) of the family's adjusted income.

B. REGULARLY SCHEDULED RECERTIFICATION: Every year, the Authority will request Tenant's paying the income based rent, to report the income and composition of Tenant's household and supply any other information required by the United States Department of Housing and Urban Development (HUD) for the purposes of determining Tenant's rent. In the case of a flat rent, the tenant will be required to report information on family income only once per each three year (3) period unless the Tenant experiences a decrease in income and requests to return to an income-based rent. Tenant is required to sign and complete a Continued Occupancy form once each year and report changes in family composition as indicated in Section C, paragraphs (1) and (2) of the lease. Tenant agrees to provide accurate statements by the date specified in the Authority's request. The Authority will use the information to re-compute the rent of those Tenants who choose the income-based rent option. Failure to supply such information when requested is a serious violation of the terms of the Lease (Section 13, Paragraph B3), and the Authority may terminate the Lease. All information must be verified. Tenant agrees to comply with the Authority's requests for verification by signing releases for third-party sources, presenting documents for review, or providing other suitable forms of verification.

B-1. UNIT SIZE DETERMINATION: If the Authority determines that the size of the dwelling unit is no longer appropriate to the Tenant's needs in accordance with 24 CFR 966.10 (b) 1 (v) (A) (1), the Authority may amend this Lease by notice to Tenant in accordance with Section 7 hereof that Tenant will be required to move to another unit, giving Tenant a reasonable time in which to move.

C. REPORTING CHANGES BETWEEN REGULARLY SCHEDULED RECERTIFICATIONS: If any of the following changes occur, Tenant agrees to advise the Authority in writing within five (5) working days of its occurrence.

(1) Deletions (for any reason) from the household members named on the lease shall be reported by Tenant to the Authority in writing within five (5) working days of its occurrence and/or

(2) An adult and/or member of the household who was reported as unemployed on the most recent certification or re-certification obtains employment in a household paying the income-based rent.

(3) Once a tenant requests that an adult household member be removed from the lease and the Authority does so, the tenant may not, in the future, request that the previously removed adult member be added back onto the lease for any reason, as the Authority shall deny said request.

D. OCCUPANCY OF THE DWELLING UNIT: Tenant shall have the right to exclusive use and occupancy of the apartment for Tenant and other household members listed on the Lease which may include the following: (1) Reasonable accommodation of Tenant's guests or visitors for a period not to exceed fourteen (14) calendar days per year; (2) Care of foster children; (3) Live-in aid, as that term is defined in Section 9, Paragraph V of this lease, for a member of a Tenant's family for a period not to exceed fourteen (14) calendar days per year. This period can be extended, upon Tenant submitting in writing, a request for an extension. However, under no circumstances shall a live-in aid be considered a Tenant of the Authority. Household members and/or guests may not engage in profit-making activities in the apartment.

8. OBLIGATIONS OF THE AUTHORITY: The Authority shall be obligated, other than for circumstances beyond its control, as follows:

A. To maintain the premises and the project in decent, safe and sanitary condition.

B. To comply with requirements of applicable building codes, housing codes and HUD regulations materially affecting health and safety.

C. To make necessary repairs to property which is damaged by normal wear and tear.

D. To keep project buildings, facilities and common areas, not otherwise assigned to Tenant for maintenance and upkeep, in a clean and safe condition.

E. To maintain in good and safe working order and condition all electrical, plumbing, sanitary, heating, ventilating and other facilities and appliances, including elevators, supplied or required to be supplied by the Authority.

- F. To provide and maintain appropriate receptacles and facilities for deposit of garbage, rubbish and other waste removed from the premises by Tenant.
 - G. To supply running water and reasonable amounts of hot water and reasonable amounts of heat in accordance with municipal ordinances.
 - H. To notify Tenant of the specific grounds for any proposed adverse action by the Authority. (Such adverse action includes, but is not limited to, a proposed lease termination, transfer of Tenant to another unit or imposition of charges for maintenance or for additional repair.) When the Authority is required to afford Tenant the opportunity for a hearing, under the Authority's grievance procedure, concerning a proposed adverse action:
 - (1) The notice of the proposed adverse action shall inform Tenant of the right to request such a hearing. In the case of lease termination, a notice of lease termination that complies with 24 CFR 966.4 (1) (3) shall constitute adequate notice of proposed adverse action.
 - (2) In the case of a proposed adverse action other than a proposed lease termination, the Authority shall not take the proposed action until time to request such a hearing has expired and (if hearing was timely requested) the grievance process has been completed.
 - I. Authority shall be responsible for repair of the unit within a reasonable period of time after receiving notice from Tenant, provided that, if the damage was caused by Tenant, household members, or guests, the reasonable cost of the repairs shall be charged to the Tenant.
9. **OBLIGATIONS OF TENANT:** Tenant shall be obligated under the terms of this Lease as set forth in the Handbook and also as set forth below:
- A. Not to assign the lease or sublease the premises.
 - B. Not to provide accommodations for boarders or lodgers in excess of fourteen (14) calendar days per year, without the advance written consent of the Authority.
 - C. To abide by necessary and reasonable rules and regulations promulgated by the Authority and/or HUD for the benefit and well-being of the housing development Tenants which are or shall be posted in the Authority's administrative office and which will be incorporated into the Handbook. Tenant should be aware that the Authority has the sole right to change rules and regulations as the same may become necessary, upon written notice to Tenants. Thereafter, said new rules and regulations will, specifically, become a part of the Lease and shall be binding upon all Tenants.
 - D. To comply with all obligations imposed upon Tenants by applicable provisions of state and local building and housing codes materially affecting health and safety.
 - E. To keep the premises and such areas as may be assigned to Tenant for Tenant's exclusive use in a clean and safe condition. This includes, but is not limited to, keeping front and rear entrances and walkways for the exclusive use of Tenant free from hazards and trash. To avoid obstructing sidewalks, areaways, galleries, passages, elevators, or stairs and to avoid using these for purposes other than going in and out of the dwelling unit.
 - F. To dispose of all garbage, rubbish and other waste from the premises in a sanitary and safe manner as designated in the Handbook. To refrain from, and cause members of Tenant's household or guest to refrain from, littering or leaving trash and debris in common areas. To abide by local ordinances regarding recycling.
 - G. To use only in a reasonable manner all electrical, plumbing, elevators, sanitary, heating, ventilating, air conditioning and other facilities. To refrain from placing signs of any type in or about the dwelling unit except those allowed under applicable zoning ordinances and only after having received the Authority's written permission.
 - H. To refrain from, and to cause his household and guests to refrain from, destroying, damaging, defacing or removing any parts of the premises or project.
 - I. To pay reasonable charges (other than for wear and tear) for the repair of damages to the premises, project building facilities or common areas caused by Tenant, his household or guests in accordance with a schedule of charges posted in the Authority's Administrative office. These charges shall not become due and collectible prior to the first (1st) day of the second (2nd) month following the month in which the charge is incurred. To make no alterations or repairs or re-decorations to the interior of the dwelling unit or to the equipment, not to install additional equipment or major appliances without the written consent of the Authority's Executive Director. To make no changes to locks or install new locks on any exterior doors. To take reasonable precautions to prevent fires and to refrain from storing or keeping flammable materials on the premises.
 - J. To conduct himself and cause other persons who are on the premises with his consent to conduct themselves in a manner which will not disturb his neighbor's peaceful enjoyment of their accommodations and will be conducive to maintaining the project in a decent, safe, and sanitary condition. To act in a cooperative manner with neighbors and the Authority's staff. To refrain from and cause members of Tenant's household or guests to refrain from acting and speaking in an abusive or threatening manner toward the Tenant's neighbors and the Authority's staff.

- K. To refrain from illegal or other activity which impairs the physical or social environment of the project.
- L. To assure that any Tenant, any member of Tenant's household, any guest (as defined to be a person on the premises with the consent of a household member) or another person under Tenant's control, shall not engage in:
- (1) Any criminal activity, on or off the Authority's premises, that threatens the health, safety, or right to peaceful enjoyment of the Authority's public housing premises by other residents or Authority employees.
 - (2) Any drug-related criminal activity, is grounds for eviction, whether on or near the Authority's public housing premises, or any activity by a Tenant or guest in which the Authority determines that a Tenant or guest is illegally using a controlled substance.
 - (3) Abuse of alcohol (when the Authority reasonably believes that such illegal use or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the Authority's public housing premises by other residents or employees of the Authority.
 - (4) Not to display, use, or possess or allow members of Tenant's household or guests to display, use or possess any firearms, (operable or inoperable) or other offensive weapons as defined by the laws and courts of the State of New Jersey anywhere on the property of the Authority.

The Tenant, or any member of the Tenant's household, any guest or any person under the Tenant's control shall not engage in other criminal activity affecting the well being of other Authority public housing residents or employee while the Tenant is a resident in public housing. Any such criminal activity may also be a cause for termination of the tenancy and for eviction from the unit.

Violations of this section shall be considered to be a serious breach of the material terms of the Lease. A criminal conviction or arrest is not necessary for this Lease to be terminated and for eviction proceedings to be instituted. Criminal activity is cause for eviction without arrest or conviction.

Any criminal activity in violation of this Section 9, Paragraph L of the Lease shall be cause for termination of tenancy, and for eviction from the unit. The term drug-related criminal activity shall mean the use, possession, manufacture, dispensing or distribution of a controlled dangerous substance, controlled dangerous substance analog or drug paraphernalia within the meaning of the Comprehensive Drug Reform Act of 1987 within or upon any of the Authority's premises or the building or complex of buildings and land appurtenant thereto or within five hundred (500') feet of any Authority property.

- M. To clean the hall area, the landing and the stairs on an assigned day, once each week between the hours of 5:00 AM to 8:00 PM.
- N. Not to own, operate or keep a washing machine, dryer, or dishwasher in this Apartment.
- O. To report to the Authority all maintenance problems and damages to the Apartment within twenty-four (24) hours of discovery thereof for ordinary repair. To use reasonable care to keep the dwelling unit in such condition as to ensure proper health and sanitation standards for Tenant, household members and neighbors. For emergency repairs, Tenant shall notify the Authority upon discovery of the same. If the damage was caused by Tenant, Tenant's household members or guests, the reasonable cost of the repairs shall be charged to Tenant.
- P. All tenants are responsible to repair or replace any damaged window panes during their tenancy. Please note, that in the event that the Authority repairs or replaces a window pane(s), because of safety issues, the cost will be assessed to the Tenant's maintenance account. An agreement will be signed by the Tenant acknowledging that the Tenant is responsible for the repair cost incurred. The amount owed must be paid with the following month's rent.
- Q. To pay rent promptly in accordance with Section 3 of this Lease. Habitual (more than 3 times in one year) violation of this provision may result in termination of this Lease in accordance with Section 13, Paragraph B1 hereof.
- R. Tenant is responsible for damage or losses to Tenant's personal property regardless of cause and to obtain insurance for their own personal property contained within the Apartment ("Renter's insurance") in the event of any such loss. Tenant understands that it is Tenant's sole choice whether to obtain Renter's Insurance in order to protect Tenant's property. However, should Tenant determine not to obtain said insurance, Tenant understands that the Authority shall not be responsible to repair and/or replace any of the Tenant's property in the event of a loss.
- S. Only one (1) refrigerator is allowed in the Apartment. Under no circumstances will Tenant be allowed to have more than one (1) refrigerator. For freezers, no larger than 1.8 cubic feet, there is an additional monthly charge to Tenant. Tenant must notify the Authority immediately regarding the freezer.
- T. Tenant must notify the Authority in writing within five (5) business days whenever any member of the household authorized to reside in the unit is no longer residing in the unit. Failure to notify the Authority in writing within five (5) business days will result in Tenant being held liable for all actions of such person and any violation of the Lease by such person will be grounds for termination of tenancy and eviction from the Apartment.

- U. Tenant shall not leave the apartment unattended, unoccupied or otherwise vacant or any period not to exceed thirty (30) consecutive days.
 - (1) The Authority shall consider the household to have abandoned the Unit if:
 - A. The Authority reasonably believes that the Apartment has been unattended, unoccupied or otherwise vacant for more than thirty (30) consecutive days; and/or
 - B. The household's rent is past due for more than sixty (60) consecutive days.
 - (2) If the Authority considers a unit to be abandoned, the Authority will:
 - A. Enter the unit to conduct an emergency inspection; and
 - B. Subsequently attempt to notify household members in writing at the household's site address that it considers to have been abandoned.
 - (3) If household members do not respond to the Authority's written notice within fifteen (15) calendar days of the date of the notice, the Authority will refer the matter to its attorney for appropriate legal action, including but not limited to, instituting eviction proceedings.
 - (4) If Tenant intends to leave the apartment so unattended, unoccupied or otherwise vacant for a period to exceed thirty (30) consecutive days, the Tenant shall notify the Authority in writing of this intent prior to leaving the apartment. Property left for more than thirty calendar (30) days shall be considered abandoned and will be disposed of by the Authority in any manner the Authority deems appropriate. Costs for disposal shall be assessed against the former Tenant.
- V. Tenant must notify the Authority regarding a live-in aide and/or caretaker. Tenant must notify the Authority in writing, prior to the moving in of the said live-in aide and/or caretaker. A live-in aide and/or caretaker means a person who resides with an elderly, disabled or handicapped person, but who, under no circumstances, shall be considered a Tenant of the Authority.
- W. Transfers: Tenant agrees to leave the dwelling unit in a clean and sanitary condition, reasonable wear and tear excepted. All keys must be returned to the Authority and Tenant must obtain a receipt for the same.
- X. Premises must be used only as a private residence, solely for Tenant and the household members named in Section 1 of the Lease. Any additions (other than births, adoptions or court awarded custody) to the tenant household require the advance written approval of the Authority. Such approval will be granted only if the new household members pass the Authority's screening criteria and a unit of appropriate size is available. Tenant to wait for the Authority's written decision before allowing additional persons to move into the Apartment. If the applicant is denied and the Tenant, in any case, grants the applicant residency within the units, this is a violation of Section 9, Paragraph B of this Lease. Tenant's failure to comply with this provision is a violation of the Lease for which the Authority may terminate the Lease in accordance with Section 13, Paragraph A of this Lease.
- Y. Tenant agrees to report any incident resulting in injury to the Tenant, a member of the Tenant's household, or a guest of the Tenant, to the Authority within seventy-two (72) hours of occurrence.
- Z. If Tenant commits or performs any act which violates any ordinance of the City of Bayonne, the same shall be an absolute violation of this Lease.
- AA. Tenant agrees to obtain an Authority permit for his/her vehicle. The vehicle must be registered and insured in the Tenant's name only to obtain such a permit. Any vehicles without current registration plates will be considered abandoned and will be towed away within twenty-four (24) hours at owner's expense. Only one permit per household will be issued.
- BB. Common household pets are permitted in accordance with the Authority's pet policy. Tenant non-compliance can be grounds for termination. The Tenant agrees to abide by the provisions of the Authority's pet policy and not to keep any animals in or on the premises except as permitted by the pet policy and other applicable laws and regulations. Any violation of the rules of the Authority's pet policy may be grounds for removal of the pet or termination of the pet owners tenancy (or both), in accordance with the provisions of 24 CFR part 942 (governing pet ownership in public housing for the elderly or handicapped) 24 CFR part 966 (governing lease and grievance procedures), New Jersey State Law, and local law.
- CC. To comply with the provisions of any rider or amendment attached here and incorporated into this Lease.
- DD. No persons, other than those listed on this lease, are permitted to utilize the address of the leased premises for any purpose.
- EE. The rental application submitted by Tenant is hereby made a part of this Lease. Tenant acknowledges that the Authority has relied upon the information submitted by Tenant as an inducement to rent the premises to Tenant. If any representation on the application is determined to be misleading, incorrect, or untrue, the Authority may, at its option, terminate the Tenant's right to occupy the premises. The Authority shall have the right to recover from Tenant any loss or damages which the Authority may suffer because of such representation.
- FF. No Tenant or his/her guest is permitted to smoke in any of the common areas of the premises. Individuals who are found smoking in any of these areas will be in breach of their Lease and will be subject to the Authority's action. Public areas are as the entrance vestibule, entrance lobby, community room, laundry room, hallways and

elevators. Smoking is not allowed within twenty five feet from any Authority building entrance. Also, smoking is not permitted on the balconies.

GG. Head of Household must notify the Authority within a reasonable time as to whether or not he/she can read, write and speak in the English language.

HH. The Authority provides a free mandatory pest service. The tenant is required to provide access to their unit monthly. If it is found that additional treatments are required, the tenant will accommodate the Authority and the technician by providing access when needed.

ii. Each adult household member is obligated to perform eight (8) hours each month or an aggregated yearly total of ninety six (96) hours of qualifying community service and self-sufficiency. The exemptions to waive this requirement is outlined in the Admissions and Occupancy Policy, Section 20 of the Lease and codified at 24 CFR 960.601. The Authority will determine if an individual is exempt from the community service and self-sufficiency requirements. The adult household member will be required to provide documentation to support the exemption.

JJ. At lease execution and annual recertification, all adult household members (age 18 or older) must:

- a. Provide documentation, if applicable, that they qualify for an exemption; and
- b. Sign a certification that they have received and read the policy and understand that if they are not exempt, failure to comply with the community service requirement will result in non-renewal of their lease, per 24 CFR 966.4(1)(2)(iii)(D).

KK. Each nonexempt household member (age 18 years and older) will choose how and where he/she will satisfy the community service and self-sufficiency requirements.

LL. When the community service and self-sufficiency exemption status changes, it is the responsibility of the household member (age 18 years and older) to report the change to the Authority and provide documentation supporting this change. In addition, this household member will certify this change in writing.

10. **DEFECTS HAZARDOUS TO LIFE, HEALTH OR SAFETY:** The special obligations of Tenant and the Authority, where a dangerous condition exists which is hazardous to life, health or safety, are as follows:

A. Authority's responsibilities:

1. The Authority shall be responsible for correcting the problem within a reasonable time. However, if the damage was caused by Tenant, a member of his household, or his guest, the reasonable cost of resolving the problem shall be charged to the Tenant.
2. The Authority shall offer standard alternate accommodations, if available, in circumstances where necessary repairs cannot be made within a reasonable time.
3. If the problem is not corrected in accordance with Section 8, Paragraph C of this Lease, the rent shall be reduced or abated in proportion to the seriousness of the damage and loss in value as a dwelling, except that no reduction in rent due shall be made where Tenant rejects reasonable accommodations or where the problem was caused by Tenant, a member of his/her household or his/her guest.
4. If the Authority determines the dwelling unit is uninhabitable because of imminent danger to the life, health and safety of Tenant, and alternative accommodations are refused by Tenant, this Lease shall be terminated.

B. Tenants responsibilities:

1. Tenant shall immediately notify the Authority management of any such defect, condition or damage.
2. To take reasonable precautions to prevent fires and to refrain from storing or keeping flammable materials on the premises. In the event of a fire, Tenant must immediately notify the Authority.
3. **Tenant shall accept any replacement unit offered by the Authority.**

11. ENTRY OF PREMISES DURING TENANCY:

- A. The Authority shall, upon reasonable advance notification to Tenant, be permitted to enter the dwelling unit during reasonable hours for the purpose of performing routine inspections, maintenance, extermination, and for making improvements. A written statement specifying the purpose of the Authority's entry delivered to the premises at least two (2) calendar days before such entry shall be considered reasonable advance notification.
- B. The Authority may enter the premises at any time without advance notification where there is reasonable cause to believe that an emergency exists or if the Authority has sufficient information that Tenant is using the apartment in violation of the Lease.

- C. In the event Tenant and all adult members of Tenant's household are absent from the premises when entered in accordance with Section Eleven 11, Paragraph B of the Lease, the Authority shall leave on the premises a written statement specifying the date, time and purpose of entry prior to leaving the premises.
- D. If and when the Authority cannot gain access to Tenant's unit as a result of action or inaction of Tenant, Tenant agrees and understands that such action or inaction of Tenant can be used by the Authority as evidence of the Tenant's fault, which if proven in court, can result in a finding of the Tenant's liability and the Authority's non-liability for any conditions resulting from the lack of inspection or correction as a consequence of Tenant's failure to provide access to the unit.

12. NOTICE REQUIREMENTS:

- A. PRIOR NOTICE OF ENTRY: See Section 11 of the Lease.
- B. HAZARDOUS DEFECTS: See Section 10 of the Lease.
- C. NOTICE OF TERMINATION: See Section 13 of the Lease.
- D. NOTICE OF GRIEVANCE: See Section 14 of the Lease.
- E. CHANGE IN CHARGES: See Section 6 of the Lease for which the Notices must be posted in a conspicuous place in the project office and which shall be furnished to applicants and Tenants on request.
- F. OTHER: If not provided elsewhere, all notices to Tenant shall be in writing and delivered personally to Tenant or to an adult member of Tenant's household residing in the dwelling or sent by pre-paid first-class mail, properly addressed to Tenant. Notices to the Authority shall be in writing, delivered to the administrative office or Authority's central office or sent by pre-paid first-class mail, properly addressed. If Tenant is visually impaired, notice will be sent in accessible format. Unopened, canceled, first-class mail returned by the Post Office shall be sufficient evidence that notice was given, whether signed or unsigned.

13. TERMINATION OF LEASE:

- A. The Authority shall not refuse to renew this Lease other than for violations of the Lease such as failure to make payments due under the Lease or to fulfill Tenant obligations set forth in Section 9 or for other good cause as that term is defined in applicable law.
- B. The Authority may evict a Tenant for, but not limited to, the following reasons and in accordance with New Jersey State and Federal law.
 - 1. Repeated late payment, which shall be defined as failure to pay the amount of rent or other charges by the fifth (5th) working day of the month. Three such late payments within a twelve (12) month period shall constitute a repeated/consecutive late payment.
 - 2. Misrepresentation of household income, assets or composition.
 - 3. Failure to supply, in a timely fashion, any recertification, release of information forms, or documentation on household income or composition needed to process annual reexaminations or interim redeterminations.
 - 4. Damage to the dwelling unit, creation of physical hazards in the unit, common areas, grounds or parking areas of any project site.
 - 5. Any activity by Tenant, household member, guest or other person under Tenant's control, including criminal activity that threatens the health, safety or right to peaceful enjoyment of the Authority's public housing premises by other residents or employees.
 - 6. Weapons or illegal drugs and/or drug paraphernalia on Authority premises, or on lands appurtenant there or within five hundred (500') feet of Authority premises.
 - 7. Any fire on Authority premises caused by Tenant, household members or guests' actions or neglect.
 - 8. Any violation of this Lease.
 - 9. Failure of a family member to comply with the community service provisions of part 960, subpart F as grounds only for non-renewal of the lease and termination of tenancy at the end of the twelve month lease term.
 - 10. Nonpayment of rent or other charges due under the Lease (including maintenance and repair)
 - 11. Serious or repeated interference with the rights of other Tenants.

12. Misrepresentation (intentional or unintentional) of any material fact in the application for housing, or in any statements submitted to the Authority.
13. Violation of any rule or provision of the Authority's pet policy. The pet policy is incorporated into this Lease by reference.
14. Serious or repeated violation of any of the rules or regulations applicable to the Tenant's unit or the public housing premises.
15. If the Tenant is unable to care for oneself with or without the aid of a full or part time caretaker, the Tenant understands and agrees that the Lease may be terminated. This termination will be pursuant to the appropriate procedures. In the event, that the Tenant becomes so physically or mentally incapable of maintaining the premises in a habitable condition or of caring for their physical or mental needs such that reasonable accommodations will not be sufficient to meet such needs and where the Tenant cannot arrange for someone to assist in performing these functions. Nothing herein shall be construed to compel the Authority to provide accommodations or continued residency to a Tenant or to household members who, because of physical, mental or emotional illness, have become a threat to the health, safety, or right to peaceful enjoyment of the Authority premises or any other Tenant or Authority employee.
16. Failure by a tenant to accept a lease revision is grounds for termination of tenancy (24 CFR PART966.4(l)(2)(i))

C. The Authority shall give written notice of termination of the Lease of:

1. Fourteen (14) calendar days in the case of failure to pay rent; or
2. A reasonable amount of time to coincide with the urgency of the situation in the case of creation or maintenance of a threat to the Health or Safety of other Tenants or Authority employees;
3. Thirty (30) calendar days in all other cases; or
4. The Notice requirements of the New Jersey Statutes, whichever provides the greater Notice to the Tenant.

The notice of termination to Tenant shall state the reason for the termination, shall inform Tenant of Tenant's right to make such a reply as Tenant may wish, of Tenant's right to a grievance hearing if applicable, and of Tenant's right to examine Authority's documents directly relevant to the termination or eviction.

If the Authority gives written notice to Tenant to vacate the dwelling unit at a certain time for proper cause in accordance with the provisions of this Lease, and Tenant fails to remove himself and all his personal possessions therefrom at such time, and if the Authority institutes court action for such removal, Tenant shall reimburse the Authority upon demand for its reasonable costs incurred thereby, including but not necessarily limited to court filing fees, and moving and storage charges for Tenant's personal possessions.

This Lease may be terminated by Tenant at any time by giving written notice of thirty (30) calendar days to the Authority in the manner specified in Section 17 hereof. Tenant agrees to leave the dwelling unit in a clean and good condition, reasonable wear and tear excepted, and to return the keys to the Authority when he/she vacates.

- D. In deciding to evict for criminal activity, the Authority shall have discretion to consider all of the circumstances of the case, including the seriousness of the offense. In appropriate cases, the Authority may permit continued occupancy by remaining household members and may impose a condition that family members who engaged in the proscribed activity will neither reside in nor visit the unit. The Authority may require a household member who has engaged in the illegal use of drugs to present credible evidence of successful completion of a treatment program as a condition to being allowed to reside in the unit. When the Authority evicts a Tenant from a dwelling unit for criminal activity, the Authority shall notify the local post office serving that dwelling unit that such an individual or family is no longer residing in the unit so that the post office will stop mail delivery for such persons.
- E. This lease may be terminated when a person, including a juvenile adjudicated delinquent or Tenant knowingly harbors such person, has been convicted or pleaded guilty to an offense involving assault or terroristic threats against the landlord, a member of the landlord's family, or an employee of the landlord.
- F. This lease may be terminated when a person has been found by a preponderance of the evidence liable in a civil action involving assault or terroristic threats against the landlord, a member of the landlord's family or any employee of the landlord, or a Tenant or lessees knowingly harbors a person who committed such an offense and allows the person to occupy the rental premises for residential purposes continuously or intermittently, except if a person harbors a juvenile who has been adjudicated delinquent of an offense of use or possession.
- G. This Lease may also be terminated if the Tenant abandons the unit and fails to deliver the key to the Authority; and any personal property left therein by the Tenant may be disposed of by the Authority without any liability to the Authority for damages whatsoever.
- H. This Lease may be terminated when a Tenant violates any of the grounds set forth in the New Jersey Anti-Eviction Act, including but not limited to drug activity.

14. **GRIEVANCE PROCEDURE:** When the Authority is required to offer Tenant a grievance hearing regarding the terms of the Lease, as that term is defined in the applicable HUD regulations, the notice shall inform Tenant of the right to request such a hearing in accordance with the Authority's grievance procedures. If such a hearing is requested, the Authority shall process and resolve the same in accordance with the Authority's grievance procedure, which shall be posted at the Authority's main offices.
 15. **MODIFICATION:** Other than in cases of rent determination pursuant to Section 7 of this Lease, and in the case of a change in rules and regulations pursuant to Section 9, Paragraph C, this Lease may only be modified by a written rider executed by both the Authority and Tenant.
 16. **WAIVER:** The failure of the Authority or Tenant to exercise any right or remedy provided herein shall not affect the right to do so at a later date for similar or other causes.
 17. **NOTICE TO VACATE:** Tenant must give a full thirty (30) calendar days notice in writing to the Authority when vacating the Apartment. The Notice to Vacate must be received by the first (1st) business day of the month **prior** to Tenant's intended date to vacate. It is Tenant's responsibility to ensure the Authority is in receipt of the Notice to Vacate. If the Authority does not receive this form from the Tenant, Tenant will be charged for the following month's rent. The date the Authority receives Tenant's Notice to Vacate is the date the Notice to Vacate will be listed on the Authority's records. The keys must be returned to the inspector on the last day of the month in which Tenant is vacating the unit. If the last day of the month falls on the week-end, or a holiday, Tenant must return the keys on the next business day. An inspection of Tenant's unit will be conducted prior to the return of the keys. When Tenant vacates, the Authority will not be under any obligation to hold possessions left in the unit beyond the vacate date and the Authority will dispose of such possessions at the Authority's sole discretion. In no event, however, will the Authority be required to hold possessions left in the unit for more than ten (10) calendar days after Tenant has vacated. Thereafter, the Authority shall dispose of such possessions at the Authority's sole discretion.
 18. **TRANSFERS:** Tenants shall not be transferred to a dwelling unit of equal size either within a project or between projects, except for alleviating hardships as determined solely by the Authority. The Authority shall offer only 1 unit to a family unless there is a hardship situation as determined solely by the Authority. If Tenant refuses the unit offered, the Lease may be terminated by the Authority by providing Tenant with a sixty (60) calendar day notice. Tenant must leave the dwelling unit in a clean and good condition; reasonable wear and tear excepted, and return the keys to the Authority, on the vacate date. An inspection will be conducted by a representative of the Authority. All keys will be returned to the inspector at that time.
 - A. The Authority may move a Tenant into another unit, permanently, if it is determined necessary to rehabilitate or demolish Tenant's unit.
 - B. In the case of an involuntary transfer, Tenant shall be required to move into the dwelling unit made available by the Authority. Failure to move within the allotted time period may result in rent being due on both apartments. Tenant shall be given fourteen (14) calendar days to move following the delivery of a transfer notice. If Tenant refuses to move, the Authority may terminate the Lease.
 - C. A Tenant without disabilities, who is housed in a unit with special features, must transfer to a unit without such features should a Tenant with disabilities need the unit. In this case, the Authority shall bear the cost of moving.
 - D. Involuntary transfers are subject to the Grievance Procedure and no such transfers may be made until either the time to request a Grievance has expired or the procedure has been completed.
 - E. The Authority will consider any Tenant requests for transfers in accordance with the transfer priorities established in the Admissions and Occupancy Policies.
 - F. Tenant shall accept any replacement unit offered by the Authority.
 - G. Voluntary transfer (tenant initiated transfer) will be granted at the discretion of the Authority. The tenant must be in good standing which means that the tenant must not be in violation of any of the terms of this lease. Any pending violation must be rectified prior to the transfer being implemented.
- All transferring tenants apartments will be inspected twice prior to their vacating. A detailed outline will be provided prior to each inspection indicating the specific tasks that must be performed by the Tenant.
- A failed or non-conforming rating will result in the Authority assessing charges for repair (beyond normal wear and tear) against the Tenant's maintenance account. The Tenant may also forfeit his/her right to the unit in which he/she is currently living or forfeit his/her residency to the new apartment. However, Tenant shall still remain on the existing transfer list except that Tenant's name shall be placed on the bottom of said transfer list.
- Once the Tenant is notified by the Authority of a transfer, no request for lease additions will be entertained, until such time that a transfer is completed.
19. **MISCELLANEOUS PROVISIONS:** If the Authority is not in possession of the leased premises on the commencement date of this Lease, such commencement date shall be postponed to the day after which the Authority obtains possession and the rent shall be abated the number of days in the month during which the Authority is not in possession.

Validity of Lease

If a clause or provision of this Lease is legally invalid, the rest of this Lease remains in effect.

INSPECTIONS:

- A. **Move-in Inspection:** An Authority representative shall inspect the dwelling unit prior to occupancy by Tenant. The Authority will note any equipment provided with the unit. The statement shall be signed by the Authority and a copy of the statement will be maintained in the Tenant file. A copy of the report shall be provided to Tenant, upon request and at a charge of .25 cents per page. Any deficiencies noted on the inspection report will be corrected by the Authority, at no charge to Tenant, and Tenant will be required to acknowledge receipt. The statement shall also be placed in Tenant's folder.
- B. **Annual Inspection:** The Authority will inspect the unit annually to check needed maintenance, Tenant housekeeping, and other lease compliance matters. Tenant will receive a written statement of the charges, if any, for repairs, or removal of non-approved alterations to the unit.
- C. **Move-out Inspection:** The Authority will inspect the unit with the Tenant at the time of vacate, when possible, and give Tenant a written statement of the charges, if any, for which Tenant is responsible.

20. **COMMUNITY SERVICE REQUIREMENT:** Residents must provide documentation, if applicable, that they qualify for an exemption. The submitted documentation will be used by the BHA to determine whether or not the tenant is exempt from the Community Service and Self-Sufficiency Requirement. In addition, the BHA will provide the resident with a Community Service and Self-Sufficiency Requirement exemption certification form for completion. This form illustrates documentation that residents may submit to validate their exemption. All submitted documentation will be maintained in the resident file.

- A. 62 years or older;
- B.
 - 1. Blind or disabled, as defined under 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. Section 416(i)(1); Section 1382c), and who certify that, because of this disability, she or he is unable to comply with the service provisions of this subpart, or
 - 2. is a primary caretaker of such individual and who certifies that based upon that disability, he or she cannot comply with the requirement;
- C. Engaged in work activities (see Notice PIH 2003-17 (HA)). in order for an individual to be exempt from the Community Service and Self-Sufficiency Requirement because he/she is "engaged in work activities," the person must be participating in an activity that meets one of the following definitions of "work activity" contained in Section 407(d) of the Social Security Act (42 U.S.C. Section 607(d)):
 - 1. Unsubsidized employment;
 - 2. Subsidized private-sector employment;
 - 3. Subsidized public-sector employment;
 - 4. Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;
 - 5. On-the-job-training;
 - 6. Job-search;
 - 7. Community service programs;
 - 8. Vocational educational training (not to exceed 12 months with respect to any individual);
 - 9. Job-skills training directly related to employment;
 - 10. Education directly related to employment in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;
 - 11. Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalency, in the case of a recipient who has not completed secondary school or received such a certificate;
- D. Able to meet requirements under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. Section 601 et seq.) or under any other welfare program of the State in which PHA is located including a State-administered Welfare-to-Work program; or,
- E. A member of a family receiving assistance, benefits, or services under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. Section 601 et seq.), or under any other welfare program of the State of New Jersey in which the PHA is located, including a State-administered Welfare-to-Work program, and has not been found by the State or other administering entity to be in noncompliance with such a program.
- F. The supplemental nutrition assistance program ("SNAP") qualifies as a welfare program of the state. Therefore, if a tenant is a member of a family receiving assistance under SNAP, and has been found to be in compliance with the program requirements, that tenant is exempt from the Community Service and Self-Sufficiency Requirement. To clarify, this exemption does not automatically apply to all members of a public housing household. The distinction is that there may be a household for which a portion of the household is receiving SNAP assistance, but another portion is not. An example is a household which includes a mother, child, and boyfriend (legally on the lease). The mother and child are receiving the SNAP benefits while the boyfriend is not part of the family receiving the assistance. In this case, the mother would be exempt if she is in compliance with the program requirements but the boyfriend is not exempt under this provision because he is not part of the family receiving SNAP benefits.

Please note 30 hours per week is the minimum number of hours for a work activity.

The BHA will review the submitted documentation and Community Service and Self-Sufficiency Requirement exemption certificate to determine which family members are exempt from the requirement. If, at any time, there is a change to the exempt status of the family member, it is his/her responsibility to report this change to the BHA within five (5) days of the change.

- 21. **VIOLATION, EVICTION AND RE-ENTRY:** The landlord reserves the right of re-entry. This means that if the Tenant violates the terms of the Lease, the Landlord may terminate this Lease and regain possession of the Property.

This is done by a court proceeding known as an eviction. A complaint is served upon the Tenant and the Tenant must appear in Court. The Landlord may also evict the Tenant for any other cause which is permitted by applicable law. When the eviction proceeding is concluded, the Landlord may regain possession of the Property.

The above are the most important terms of the relationship between the Authority and Tenant. The Authority's Tenant Handbook contains a more detailed description of the rules and regulations of the Authority and HUD, and of Tenant's rights and duties. A copy of the Handbook is annexed hereto as Appendix A. Additional copies are available from the Authority Office. The contents of the Handbook are specifically made a part and incorporated to this Lease.

In signing this Lease, Tenant states that he/she has not knowingly misrepresented any facts which were used in determining his/her eligibility for housing.

TENANT AGREES THAT ALL THE PROVISIONS OF THIS LEASE HAVE BEEN READ AND ARE UNDERSTOOD AND FURTHER AGREES TO BE BOUND BY ITS PROVISIONS AND CONDITIONS AS WRITTEN.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement on _____, at Bayonne, New Jersey 07002.

All adult (anyone eighteen (18) years of age or older) household members must sign below.

(TENANT) HEAD OF HOUSEHOLD (PRINT)

(SIGNATURE) HEAD OF HOUSEHOLD

(TENANT) CO-HEAD/CO-TENANT (PRINT)

(SIGNATURE) CO-HEAD/CO-TENANT

(TENANT) CO-TENANT (PRINT)

(SIGNATURE) CO-TENANT

(TENANT) CO-TENANT (PRINT)

(SIGNATURE) CO-TENANT

HOUSING AUTHORITY OF THE CITY OF BAYONNE

BY: John T. Mahon
EXECUTIVE DIRECTOR/SECRETARY

Tenant's Certification

I, _____ hereby certify that I, and other members of my Household, have not committed any fraud in connection with any federal housing assistance program, unless such fraud was disclosed fully to the Authority before the execution of the Lease or before the Authority's approval for occupancy of the unit by the Household member.

I further certify that all information or documentation submitted by myself or other Household members to the Authority in connection with any federal housing assistance program (before and during the lease term) are true and complete to the best of my knowledge and belief.

Tenant's Signature (Head of Household)

Date

Attachments:

1. Tenant Handbook, Appendix A
2. Grievance Procedure (Subject to Revision)
3. Community Service Policy
4. Community Service Entrance Acknowledgement
5. Community Service Exemption Certificate
6. Community Service Requirement
7. Pet Policy
8. Pet Policy Notification
9. Drug Abuse & Other Criminal Activity Policy
10. Smoke Free Policy & Lease Addendum
11. 504 Reasonable Accommodation Policy
12. Violence Against Women Act "VAWA"
13. VAWA Certification HUD 5382
14. Emergency Contact Information HUD 92006
15. Lead Warning Statement
16. Disclosure of Lead Based Paint
17. Lead Based Paint Receipt
18. Lead in Your Home Brochure
19. What You Should Know About EIV Pamphlet
20. New Public Housing Tenant Information Booklet
21. Flyer – Common Lease Violations
22. Resident Rights and Responsibilities Brochure
23. Building Access System Instructions
24. Building Access System Instructions for Visitors
25. Apartment Extermination Form
26. New Tenant Plumbing & Heating Information
27. Air Conditioning Charges
28. Window Guard Request Form
29. Public Housing Flat Rent Information

STATEMENT OF RECEIPT OF INFORMATION

I/We have received a copy of the above information. This information has been thoroughly explained to me/us.
I/We understand the possibility the lead-based paint may exist in the unit.

Tenant's Signature (Head of Household)

Date

**OFFICE ADDRESS: 549 AVENUE A
BAYONNE, NJ 07002**

**HOURS: 9:00 AM - 4:30 PM
MONDAY THROUGH FRIDAY**

TELEPHONE NUMBER: (201) 339-8700

