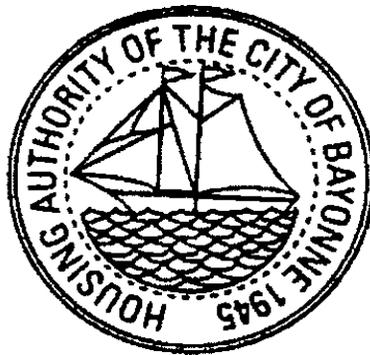


HOUSING AUTHORITY OF THE CITY OF BAYONNE



ADMISSIONS AND CONTINUED OCCUPANCY POLICY

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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.

1.0 *INTRODUCTION/PURPOSE (Continued)*

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.

1.4 Fair Housing Policy/Non-Discrimination (Continued)

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.

1.4 Fair Housing Policy/Non-Discrimination (Continued)

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 Limited English Proficiency

The Authority is committed in providing meaningful access to the Authority's programs and activities by persons with Limited English Proficiency (LEP). The Authority will comply with federal requirements by making reasonable efforts to provide free language assistance and meaning access for its LEP clients. No LEP client will be denied access to an Authority program because the client does not speak English or communicates in English on a limited basis.

1.6 Limited English Proficiency (Continued)

The Authority will consider the following to ensure meaningful access to its programs for situations in which the size of the language group meets the minimum Federal Register chart:

- a) The number or proportion of LEP persons eligible to be served or likely to be encountered by the program or grantee;
- b) The frequency with which LEP persons come in contact with the program;
- c) The nature and importance of the program, activity, or service provided by the program to people's lives; and
- d) The resources available and related costs.

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 N

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 C

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 J

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.

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.

2.2 *Definition of Family (Continued)*

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 **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.

2.3 *Split Families – While On the Waiting List (Continued)*

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.

2.4 **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 M

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.

2.5 Income Limits

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.

2.6 Citizenship or Immigration Status

At least one family member must be a citizen, national, or non-citizen with eligible immigration status in order for the family to qualify for any level of assistance. Each family member must declare whether the individual is a citizen, a national, an eligible non-citizen or an ineligible non- citizen. [24 CFR 5.508]

- a) *U.S. Citizens and Nationals*: Family members who declare citizenship or national status will not be required to provide additional documentation unless the Authority receives information indicating that an individual’s declaration may not be accurate.
- b) *Eligible Non-Citizens*: In addition to providing a signed declaration, those persons declaring eligible non-citizen status must sign a verification consent form and cooperate with Authority efforts to verify their immigration status. The Authority verifies the status through the U.S. Immigration and Naturalization Service (INS), Systematic Alien Verification for Entitlements (SAVE) system. If this primary verification fails to verify status, the Authority must request within ten (10) days that the INS conduct a manual search.
- c) *Ineligible Non-Citizens*: Those non-citizens who do not wish to contend their immigration status are required to have their names listed on a non-contending family members listing, signed by the head, spouse or co-head regardless of citizenship status), indicating their ineligible immigration status.

2.6 *Citizenship or Immigration Status (Continued)*

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

2.7 **Mixed Families**

Families that include eligible and ineligible individuals are considered mixed families. The housing assistance for these families will be prorated in accordance with HUD regulations at [24 CFR 5.520].

2.8 **Ineligible Families**

The Authority will not provide assistance to a family before the verification of at least one family member as a citizen, national, or eligible non-citizen. [24 CFR 5.512(a)] When the Authority 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 of the determination.

The notice will explain the reasons for the denial 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 Authority. The informal review with the Authority 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.

2.9 **Timeframe for Determination of Citizenship Status**

The Authority will verify the status of applicants at the time other eligibility factors are determined. For new occupants joining the tenant family, the Authority must verify status at the first interim or regular recertification following the person's occupancy, whichever comes first. If an individual qualifies for a time extension for the submission of required documents, the Authority 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.

2.10 Social Security Numbers

Per HUD regulation at **24 CFR Part 5** and any subsequent regulation or guidance, all applicants are required to disclose their assigned Social Security Numbers (SSNs), except for:

- a) Individuals who do not contend eligible immigration status will NOT have a SSN to disclose. If otherwise eligible to participate in the program, the family should be admitted into the program or continue receiving assistance;
- b) Residents 62 years of age and older as of 1/31/10;
- c) Individuals who have previously disclosed a valid SSN;
- d) If the applicant is able to demonstrate timely submission of a request for a SSN but due to no fault of their own have not received the required documentation, they may be eligible for a 90-day extension.

Applicants must submit one of the following documents to confirm their assigned SSN:

- 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; or
- An original document from a federal, state, or local government agency which contains the individual's name and SSN, along with other identifying information of the individual (i.e. address, date of birth, etc.)

The Authority must deny eligibility of an applicant who fails to disclose SSNs for each member of the household. However, the family must be granted a 90-day period in which to provide documentation necessary to verify the SSN if the Authority determines that, in its discretion, the applicant's failure to comply was due to circumstances that could not reasonably have been foreseen and were outside of the control of the applicant. The applicant may remain on the waiting list during the 90-day grace period in order to verify and obtain the SSN. If after the 90-day period the applicant still does not provide SSNs, the Authority may remove the family from the waiting list. At the Authority's discretion, a second ninety (90) day period may be extended but failure to provide SSNs at the end of the extension period will also result in removal from the waiting list.

2.11 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.

2.12 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.”

2.13 Family Consent to Release of Information

Per HUD regulations, each adult family member, including the head of household, spouse, or co-head, at least eighteen (18) years or older, is required to sign Form HUD-9886, “Authorization for the Release of Information Privacy Act Notice,” and other consent forms needed to verify information relevant to the family’s eligibility and level of assistance. **See [24 CFR 5.230]**

The Authority will deny admission to the program if any adult member of the applicant family fails to sign and submit consent forms which allow the Authority to obtain information determined necessary in the administration of the public housing program. **[24 CFR 960.259(a) and (b)]**

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.

3.1 General Requirements (Continued)

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

3.1 General Requirements (Continued)

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(s);
- 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.

3.2 *Consideration of Circumstances (Continued)*

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.

3.2 *Consideration of Circumstances (Continued)*

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;

3.3 *Criteria for Withdrawal of Conditional Offer of Housing (Continued)*

- 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.

3.4 *Informal Review/Appeal Process (Continued)*

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)

4.1 Application Review (Continued)

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 N

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 Verification Requirements

While the Authority envisions itself as being responsive to the community's needs for low-income housing, it cannot accommodate emergency cases because of limited resources and its obligation to adhere to the standards set forth herein. However, its tenant selection process will be aimed at achieving these objectives by adhering to the criteria established herein. The following items of information are subject to verification by the Authority to determine eligibility and rent.

- a) Annual Income. The Authority will use the following to verify both earned and unearned income sources and amounts for all household members, including money given to the household by individuals (i.e. other family members not on the lease, parents, friends, relatives, etc.), including but not limited to regular deposits from Zelle, CashApp, Venmo or other virtual financial sources, or from court-ordered sources such as child support, alimony, etc., and keep copies of such information in the applicant's file (see definition for "Income" in Section 20):
 - (1) Third party verification through an employer or public agency (with an appropriate release), and/or;
 - (2) Review documentation provided by the family, such as benefit checks, income tax returns, etc.; and/or,
 - (3) Verification of public assistance from the governmental entity supplying it.

Applicants/tenants claiming to have no income will be required to complete a "zero income questionnaire" and declare the source and amount of monetary contributions to sustain the household (i.e., purchase food, pay phone bills, buy clothing and toiletries, pay for transportation, etc.). We will verify the accuracy of the questionnaire via 90-day interim recertifications and more frequent inspections.

- b) Assets/Asset Income. The Authority will review all savings and checking accounts from all financial institutions, newspaper stock quotations, local government assessed property values, income tax returns, etc. are acceptable evidence of assets. The applicant will also be responsible for completing an "Asset Disposition" Form.

4.2 *Verification Requirements (Continued)*

- c) Family Size and Composition. The Authority will rely on the declaration of the applicants related to family size, composition and the relationship among the family members.
- d) Age of Family Members. The Authority will request that birth certificates be provided to verify the age of each household member.
- e) Displacement Status. The Authority will verify the applicant's displacement status by contacting the municipal office or from reported source of displacement responsible for this action.
- f) Non-Economic Selection Criteria. The Authority may make use of credit checks, home visits by the Authority's staff, court and police records and references of prior landlords to obtain this information.
- g) Handicap or Disability. A physician's certificate verifying the handicap or disability may be required. In addition, verification by a clinic, hospital, welfare agency, the Social Security Administration, vocational rehabilitation agencies and similar sources will be acceptable.
- h) Eligible Citizenship Status. The Authority requires verification of eligible citizenship status in the form of birth certificates, passports, permanent residency cards etc. Each family member is required to submit evidence of eligible status only one time during continuous occupancy.
- i) Mixed Family Status. The Authority will prorate assistance for families that include both eligible and ineligible individuals using the verification methods for Eligible Citizenship Status above.
- j) Ineligible Families. Have no family members with verified citizenship status and will not be provided housing assistance. They may appeal citizenship status to the U.S. Citizenship and Immigration Services ("USCIS"). The Authority will require verification of successful appeal to the USCIS at an informal review proceeding.
- k) Time Frame for Determination of Citizenship Status. The Authority will verify the status of applicants at the time that other eligibility factors are determined. For new occupants joining the tenant family, the Authority must verify citizenship status at the first interim or regular recertification of occupancy, whichever comes first. If the individual qualifies for a time extension for submission of required documents, the Authority must grant an extension of no more than 30 days. **(24 CFR 5.508(h))**
- l) Income Limits. Persons meeting the Bayonne 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 ("AMI"), adjusted for smaller and larger families and is established by HUD.

4.2 Verification Requirements (Continued)

- m) Social Security Numbers. As verification, applicants must submit an original SSN card issued by the SSA; or, an original SSA-issued document which contains the name and SSN of the individual; or, an original document from a federal, state or local government agency that contains the individual's name & SSN along with other identifying information such as address, date of birth, etc.
- n) Family Consent to Release of Information. Each family member must consent to sign form HUD-9886, "Authorization for the Release of Information Privacy Act Notice," and other consent forms as needed to collect information relevant to eligibility. Failure to do so will result in denial of admission.
- o) Full-Time Student Status: A family member claiming to be a full-time student, for the purpose of receiving any income exclusions or deductions, must provide a certified transcript showing at least 12 credits taken per semester from an accredited educational institution. The income disallowance will not be applied if the required documents are not provided.
- p) Admission Preference. Applicants claiming to have a preference must submit verification substantiating the claimed preference that is acceptable to the Authority. If the applicant is unable to provide suitable documentation supporting the claimed preference, their application will be returned to the waiting list.

All information obtained from the applicant concerning eligibility will be verified when a suitable dwelling is expected to be available.

4.3 Verification Hierarchy

Per HUD regulations at [24 CFR part 5], the Authority is required to verify factors of eligibility for applicants and documentation needed for annual recertification and interim adjustments for tenants using HUD's EIV system and hierarchy of verification methods. As such, the Authority must verify income and other information using the highest level of verification techniques available in the order provided below:

6. Upfront Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) web-based system and the Income Validation Tool (IVT) - which are not available to verify income of applicants, to verify employment, wages, unemployment compensation and Social Security benefit information.
5. Upfront Income Verification (UIV) using non-HUD systems.
4. Written Third-Party Verification is received electronically directly from the third-party source, or an original document generated by a third-party, such as paystubs, SSA benefit letter, bank statements, unemployment benefit notices, child support payment stubs, etc. and can also be submitted by the tenant.

4.3 *Verification Hierarchy (Continued)*

3. **Written Third-Party Verification Form** is a form sent by the Authority directly to the third-party source, such as an employer, completed by the third-party and can be submitted by the tenant.
2. **Oral Third-Party Verification** will be used when UIV or Written Third-Party verification is delayed or not available. The Authority will document the file with the date & time of the phone call; the name of the contacted person & phone number; and the confirmed, verified information.
1. **Applicant/Tenant-Provided Documents** is used as a last resort when third-party verification is not available such as when numerous attempts were made to obtain third-party verification with no success. The tenant must submit an affidavit or notarized statement of reported income and/or expenses. The Authority must document the file why third-party verification was not available.

4.4 **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.

4.5 Admission Preferences

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:
 - A veteran with a discharge status other than dishonorable
 - Involuntarily displaced person defined as a victim of disasters, such as fire or flood, which resulted in uninhabitability of applicant's unit; activity by a government agency in connection with public improvement or development programs; and activity by a housing owner beyond applicant's ability to control.
 - Substandard housing conditions as determined by the municipality. For example: the unit has been declared unfit for habitation by an agency or unit of government.
 - Rent burden in which the applicant is paying more than 50% of the family's income for rent.
- b) Bayonne Resident with none of the above.
- c) Non-Bayonne Resident who can claim at least one of the following circumstances:
 - A veteran with a discharge status other than dishonorable
 - Involuntarily displaced person defined as a victim of disasters, such as fire or flood, which resulted in uninhabitability of applicant's unit; activity by a government agency in connection with public improvement or development programs; and activity by a housing owner beyond applicant's ability to control.
 - Substandard housing conditions as determined by the municipality. For example: the unit has been declared unfit for habitation by an agency or unit of government.
 - Rent burden in which the applicant is paying more than 50% of the family's income for rent.
- 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.

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 19).

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.

5.2 *Removal from the Waiting List (Continued)*

- 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.

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.

5.4 Related Waiting List Procedures – Process of Applying for Admission (Continued)

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:

5.5 *De-concentration Policy (Continued)*

- 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, after two (2) attempts and without notifying the Authority in advance or without re-scheduling the appointment shall be withdrawn from the waiting list. Tenants who fail to keep an appointment without advance notification or fail to reschedule will be sent a Notice to Cease for failure to supply such certification, release of information or documentation as the Authority or HUD determines to be necessary (or failure to allow the Authority to inspect the dwelling unit at reasonable times and after reasonable notice, if applicable) in the following situations:

- Complete Application
- Bringing in Verification Information
- Briefing prior to Occupancy
- Leasing Signature
- Inspections
- Recertification
- Interim Adjustment
- Other Appts or Requirements to Bring in Documentation as Listed in this Plan
- Scheduled Counseling Sessions
- Move-In appointments

5.6.1 *Process When Appointment(s) Are Missed*

For most of the functions above, the family may be given two appointments. If the family does not appear or call to reschedule the appointment(s) required, the Authority may begin termination procedures. The applicant or tenant will be given an opportunity for an informal meeting or hearing, as appropriate pursuant to the grievance process. Only residents are afforded a grievance. The grievance procedures do not apply to applicants.

If the representative of the Authority and/or Hearing Officer makes a determination in favor of the applicant/tenant, the Authority will comply with decision of the representative unless the applicable provisions of the Grievance Procedure is applicable to the Hearing Officer's decision.

5.6.2 *Letters Mailed to Applicants by the Authority*

If an applicant claims they did not receive a letter sent by the Authority which requested information from the applicant or to schedule them for an interview, the Authority will determine whether the letter was returned to the Authority. If the letter was not returned to the Authority, the applicant will be assumed to have received the letter.

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.

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.

5.7 *Notification of Applicants (Continued)*

- 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.

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.

8.1 *Types of Transfers (Continued)*

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.

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
- 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.

8.3 *Transfer Procedures (Continued)*

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 **RENT POLICY**

Consistent with QHWRA, the Authority is committed to the objective of achieving a greater range of income mix within all of its developments. To accomplish this objective the Authority shall:

- a) Ascertain the distribution of income within the community based upon the most recent census or other reliable data on family incomes;
- b) Ascertain the distribution of incomes of families on the Authority's waiting list;
- c) Ascertain the average operating costs of the project and the average rent required to meet such costs;

9.0 RENT POLICY (Continued)

- d) Ascertain the average rent which would be achieved based upon the incomes of low-income families in accordance with the distribution of incomes of all low-income families in the community's area of operation;
- e) Ascertain the average rent which can be achieved based upon the incomes of the families on the waiting list;
- f) Utilizing the above information, develop criteria, by preference or otherwise, that will be reasonably calculated to attain the basic objective. The criteria developed will be sufficiently flexible to assure administrative feasibility.

9.1 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. The Flat Rent Policy is herein included by reference. See Exhibit G "Schedule of Rents & Statements of Income and Occupancy Limits."
- 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.

9.2 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”), for two (2) consecutive years either through an annual or interim recertification, the BHA must charge the family a monthly rent equal to the applicable FMR. The BHA must provide written notification to the family if one (1) year after the initial over-income finding the family’s income continues to exceed the over-income limit. The notification informs 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 will be subject to higher rental payments. If the family’s income decreases below the over-income limit, the family is entitled to a new two-year grace period should it once again exceed the over-income limit.

In accordance with Section 103 of HOTMA and PIH-2019-11, if during the Annual or Interim Recertification process the BHA discovers that a family’s total household income exceeds 120% of the AMI the BHA must document it and note it in the file and/or system to compare it with the family’s income the next year in order to track over-income families.

If one year after the initial over-income finding by the BHA the family’s income continues to exceed the over-income limit, the BHA must provide written notification to the family. The notification must inform the family that their income has exceeded the over-income limit for one year and if it continues to exceed the over-income limit for the next 12 consecutive months, the family will be subject to a higher rent payment.

Once a previously over-income family has income that is now below the over-income limit, 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.

9.3 Adjusted Income

Adjusted income means the annual income of the members of the family residing or intending to reside in the dwelling unit after making the following mandatory deductions (see Section 20 for the definition of annual income):

- a) \$480.00 for each dependent who is either under the age of 18, a person with a disability, or a full-time student;
- b) If a full-time student, other than the head, co-head, or spouse receives earned income, any earned income above \$480 annually will be excluded;
- c) \$400.00 for any elderly family in which the head, co-head or spouse is 62 or more years old or disabled person who is the head, co-head, spouse or sole member;

9.3 *Adjusted Income (Continued)*

- d) The sum of the following to the extent that it exceeds three percent (3%) of the annual income:
- Un-reimbursed medical expenses of any elderly or disabled family member;
 - Un-reimbursed reasonable dependent care and auxiliary apparatus expenses for each member of the family who is a person with a disability, to the extent necessary to enable any member of the family (including the member with a disability) to be employed;
 - Any reasonable child care expenses necessary to enable a member of the family to be employed or further his or her education; and
 - The amount of any earned income of a family member (other than the family head or spouse) who is not eighteen (18) years of age or older.

9.4 **Earned Income Disallowance**

In a household paying the Income-Based rent, a tenant may qualify for an Earned Income Disallowance (“EID”) of the increase in earned income if the increase is a result of the following:

- a) Earnings of a previously unemployed family member who was unemployed for one or more years prior to employment; or a person who has earned in the 12 months prior to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage per **24 CFR 960.255** (10hrs x 50 weeks x minimum wage);
- b) Whose annual income increases as a result of increased earnings of a family member during participation in a self-sufficiency or job training program;
- c) Earnings of a family member that had been receiving welfare during or within the previous six (6) months provided that the total amount over the six (6) month period is at least \$500.

If the tenant qualifies for EID, 100% of the new income will be excluded from the total household income calculation for a period of twelve (12) months and 50% of the new income will be excluded for the second twelve (12) month period.

After a total of twenty-four (24) consecutive months of EID, all of the tenant’s income will then be included in the calculation of the total household income in accordance with HUD regulations. A tenant is restricted to a single lifetime eligibility for EID. Any tenant under EID prior to May 9, 2016 will continue to receive up to 48 months to complete the full EID benefit in effect prior to the revised regulation.

In the event that Section 102 of the “Implementing the Housing Opportunity Through Modernization Act” (HOTMA) is finalized and enacted by HUD, the mandatory earned income disregard will be eliminated.

9.5 Streamlined Rent Calculation for Fixed Income

For any family member with a fixed source of income, the Authority will determine that family member's income based on a streamlined income determination, by applying the verified cost of living adjustment (COLA) or current rate of interest to the previously verified or adjusted income. After the initial year of implementation, the Authority must fully re-verify and recalculate all income every 3 years.

For households with a blend of fixed income and earned income sources, the Authority will apply the COLA rate to the fixed income source and utilize HUD's hierarchy of verification methods to the earned income portion.

9.6 Rent Collection

Rent is due and owing in advance by the first of each month **and must be mailed to** the Authority's administrative office located at 549 Avenue A, Bayonne N.J. 07002. 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. 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.

9.7 Minimum Rent & Hardship Exemptions

The minimum rent amount is set at \$50.00. The Authority shall grant an exemption from the minimum rent provision to any family making a written request, in accordance with the Authority's policy, that they are unable to pay that minimum rent due to financial hardship, which shall include the following conditions:

- a) The family has lost eligibility for, or is awaiting an eligibility determination for a federal, state or local assistance program. This includes a family that has 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 & 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.

9.7 Minimum Rent & Hardship Exemptions (Continued)

- 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 providing verifiable information in writing to the Authority prior to the rent being delinquent and before the lease is terminated by the Authority.

If the tenant requests a hardship exemption under this Section, and the Authority reasonably determines the hardship to be of a temporary nature (i.e. lasting less than 60 consecutive days or the income loss is less than \$2,400 annually), the exemption shall not be granted during a ninety-day (90) period beginning upon the making of the formal request for the exemption. The tenant may not be evicted during the ninety-day (90) period 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 retroactively exempt the tenant from the minimum rent requirement for the prior ninety-day (90) period.

This exemption does not restrict nor prohibit the Authority from taking legal action to evict the tenant for other violations of the lease.

10.0 ANNUAL RECERTIFICATION

The tenant is required to provide the Authority, when requested, with accurate information about the household composition, including: the age of household members; income and source of income of all household members; assets; and related information necessary to determine continued 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 (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.

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.

10.0 Annual Recertification (Continued)

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.

11.0 **INTERIM RECERTIFICATION**

During the lease agreement term, changes in family income or family composition must be reported to the Authority within 10 days of its occurrence, including but not limited to members who are temporarily or permanently absent from the household (see definitions section). Failure to do so will be grounds to terminate the lease. However, if such an adjustment or termination results from the resident's non-compliance with or violation of applicable rules and regulations (i.e. failure to participate in an economic self-sufficiency program or comply with work activity requirements or any form of fraud), the Authority will not grant any adjustment of rent. If a family has income, which is not verified, and the rent cannot be established due to the tenant's failure to submit the required information, the tenant is subject to eviction.

During an Interim Recertification and in accordance with Section 103 of HOTMA, if it is discovered that the family's total household income exceeds the over-income limit of 120% of the Area Median Income (AMI), the family must receive written notification that their income exceeded the over-income limit for one year and if the family's income continues to exceed the over-income limit for the next 12 consecutive months, the family will be subject to a higher, alternative rent set by HUD.

Once a previously over-income family has income that is now below the over-income limit, 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.

11.1 **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.

11.2 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.

11.3 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.

11.4 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 Public and Indian Housing Information Center (PIC).

11.5 Frequency of Interim for Zero Income and Rent Adjustment

Where there is no family income at the time of recertification (e.g. due to unemployment), a temporary minimum rent of \$50.00 will be established. An Interim recertification will be scheduled every ninety (90) days until such time the family establishes some form of income and the continued occupancy is resolved consistent with the lease. Rent adjustments **will not** be made for temporary loss of income that is expected to occur for less than sixty (60) consecutive days or if the loss of income is less than \$2,400 calculated annually.

Rent will remain in effect for the period between regular rent recertification unless during such period:

- a) The tenant can show a change in their circumstances (such as a decline in income), which would justify a reduction in rent pursuant to the Flat Rent Schedule, or such other circumstances as would create a hardship situation.
- b) The tenant starts to receive public assistance or public assistance is terminated through no fraud or fault of the tenant.
- c) It is found that a tenant has misrepresented the facts upon which rent is based so that the rent owed is less than it should be, the increase in rent will be retroactive.

If the required documents substantiating a change in circumstance that affects the rent calculation are submitted by the 15th of the month, the rent will be adjusted for the following month.

12.0 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.

12.1 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.

12.0 INSPECTIONS (Continued)

12.2 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 E: Schedule of Move-Out Charges

12.3 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.

12.4 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.

12.5 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.

12.0 INSPECTIONS (Continued)

12.6 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.

13.0 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 K

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.

14.0 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 H

15.0 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 J

16.0 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 L

17.0 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 P

18.0 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 O

18.1 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.

18.2 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.

18.3 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.

18.0 GRIEVANCE POLICY (Continued)

18.4 **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.

18.5 **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.

19.0 **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 ~~or Live-in Aide~~, 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.

19.0 DEFINITION OF GENERAL TERMS (Continued)

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.

19.0 DEFINITION OF GENERAL TERMS (Continued)

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.

19.0 DEFINITION OF GENERAL TERMS (Continued)

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.

20.0 **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, CashApp, 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.

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.

Exclusions from Total Family Income (Continued)

- 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.

Exclusions from Total Family Income (Continued)

- 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.

Exclusions from Total Family Income (Continued)

- 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.

21.0 ATTACHMENTS

- Exhibit A: Income Limits for Admission
- Exhibit B: Rental Calculation
- Exhibit C: Broad Range of Income Objectives
- Exhibit E: Schedule of Move-Out Charges
- Exhibit F: One Strike and You're Out Policy
- Exhibit G: Flat Rent Policy
- Exhibit H: Parking Policy
- Exhibit J: Pet Policy
- Exhibit K: Smoke-Free Policy
- Exhibit L: Community Service & Self-Sufficiency Requirement (CSSR)
- Exhibit M: Live-In-Aide Policy
- Exhibit N: Violence Against Women Act (VAWA) Policy
- Exhibit O: Grievance Policy
- Exhibit P: Lease