

**MORAVIAN HOUSES I & II (HUD SUBSIDIZED)  
TENANT SELECTION PLAN**

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**MARKETING:**

**See Fair Market Housing Plan  
Lehigh Valley Seniors Resource Directory  
AAHSA Directory Advertisement  
PANPHA Directory Advertisement  
Local Hospitals Service Care Managers have our plan.  
Senior Citizen Centers  
Moravian House brochure  
<https://moravian-house.org/>**

**Project Eligibility Requirements**

Each person is selected by a numbered system which is kept in a chronological order based on the application receive date and time to Moravian House. All applications are date and time noted. All applicants 62 years of age and over, disabled/mobility impaired and Section 8 Vouchers will be accepted to complete an application regardless of race, color, religion, family status, national origin, perceived sexual orientation, gender identity, or marital status. The unit for which the family is applying must be the family's only residence. An applicant must agree to pay the rent required by the program under which the applicant will receive assistance. All information reported by the family is subject to verification. Various subsidy or insurance programs may impose additional occupancy restrictions.

**Citizenship Requirements**

Only U.S. citizens or non-citizens that have eligible immigration status may receive assistance under Section 8 and Section 202/8 programs. All applicants for assistance must be given notice of the requirement to submit evidence of citizenship or eligible immigration status at the time of application. Moravian House will be responsible for receiving the documentation and, where possible, arrange to provide the notice in a language that is understood by the individual if the person is not proficient in English.

All family members, regardless of age, must declare their citizenship or immigration status. Non-citizens, under age 62, must sign a Verification Consent Form and submit documentation of their status or sign a declaration that they do not claim to have eligible status. Non-citizens aged 62 and over must sign a declaration of eligible immigration status and provide a proof of age document. U.S. citizens must sign a declaration of citizenship. Owners may establish a policy of requiring additional proof of citizenship for those declaring to be U.S. citizens or nationals.

Foster children/adults are not subject to eligibility requirements based on the Non-Citizen rule and are not required to sign a Declaration or collect immigration paperwork or verify eligibility through Systematic Alien Verification for Entitlements (SAVE).

A mixed family, a family with one or more ineligible family members and one or more eligible family members, may receive prorated assistance, continued assistance, or a temporary deferral of termination of assistance.

Applicants who hold a non-citizen student visa are ineligible for assistance, as are any non-citizen family members living with the student.

When administering the restriction on assistance to non-citizens, Moravian House must treat all applicants equally, applying the same non-citizen rule procedures without regard to race, color, national

origin, sex, religion, disability or familial status, and must comply with the non-discrimination procedures without regard to race, color, national origin, sex, age, disability, religion and familial status.

Moravian House will consider citizenship/immigration status once for each family, but they must do so more frequently if immigration status or family composition is likely to change. Moravian House determines the applicant's citizenship or immigration status during the initial eligibility determination prior to move in. As part of the annual or interim recertification process, Moravian House must determine the citizenship/immigration status of tenants from whom the owner has not previously collected the proper documentation or whose documentation suggested that their status was likely to change. If the status of a family member in a mixed family changes from ineligible to eligible, the family may request an interim recertification. The required evidence of citizenship/immigration status for any new family member must be submitted at the first interim or regular recertification after the person moves to the unit.

Moravian House is required to verify with the DHS the validity of documents provided by applicants.

### **Social Security Requirements**

Applicants must disclose Social Security numbers for **all family members** and provide proof of the numbers reported. Management must also verify all Social Security numbers prior to occupancy. Adequate documentation means a Social Security Card issued by the Social Security Administration (SSA) or other acceptable evidence of the Social Security Number. If a child, under the age of six (6) was added to the assistance applicant household within the 6-month period prior to the household's date of admission, the assistance applicant may become a participant so long as the documentation as required in Appendix 3 of HUD Handbook 4350.3 REV-1 is provided to management applicants will be given ninety (90) days from the date of admission to the program. Management will grant an extension of one additional 90-day period if they determine that in its' discretion, the applicant's failure to comply was due to circumstances that could not reasonably have been foreseen and were outside the control of the assistance applicant. An applicant may not become a participant in the program unless the applicant submits the required SSN documentation to the Moravian Houses. If all household members have not disclosed and/or provided verification of their SSNs at the time a unit becomes available, the next eligible applicant must be offered the available unit. If the Moravian Houses have determined that the applicant is otherwise eligible for admission into the property, and the only outstanding verification is that of the SSN, the applicant may retain his or her place on the waiting list for the 90-day period during which the applicant is trying to obtain documentation. Applicants will be given 90 days from the date they are first offered a unit to disclose and verify the Social Security number(s) before being determined ineligible and removed from the waiting list. Applicants and tenants must disclose SSNs for all household members, except those who do not contend eligible immigration status, individuals age 62 or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010 and foster children/adults IF the foster agency refuses to provide the SSN AND HUD approves the exemption.

### **Authorization for the Release of Information (Form HUD-9887)**

All applicants must sign the consent form at admission, and participants must sign the consent form no later than their next interim or regularly scheduled income reexamination. After an applicant or participant has signed and submitted a consent form either on or after January 1, 2024 (regardless of the PHA/MFH Owner's compliance date), they do not need to sign and submit subsequent consent forms at the next interim or regularly scheduled income examination except under the following circumstances:

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

These consent forms contain provisions authorizing HUD and the PHA/MFH Owner to obtain necessary information for verification of an application or to maintain a family's assistance, including income information and tax return information. The executed consent forms will remain effective until:

- The family is denied assistance,
- The assistance is terminated,
- If the family provides written notification to the PHA/MFH Owner to revoke consent.

If a family voluntarily leaves a HUD program, the family's assistance is considered to be terminated and the signed consent forms will no longer be in effect. The consent form includes language allowing

PHAs/MFH Owners to obtain financial records from financial institutions whenever the PHA/MFH Owner determines that such a record is needed to determine an applicant's or participant's eligibility for assistance or level of benefits.

### **Revocation of Consent**

The executed consent forms will remain effective until the family is denied assistance, the assistance is terminated, or if the family provides written notification to the PHA/MFH Owner to revoke consent. Revocation of consent or refusal to sign the consent forms prohibits the PHA/MFH Owner from requesting and accessing income information and financial records, including pulling EIV reports and using the EIV data to verify income. PHAs/MFH Owners will not be able to process interim or annual reexaminations of income, including when a family's income decreases and the family requests an interim reexamination to decrease tenant rent, without the family's executed consent form(s). Families have the right to revoke consent by providing written notice to the PHA/MFH Owner, however, the family is required to sign a new consent form by the next reexamination, in order to avoid termination of assistance or be reviewed for eligibility for admission. PHAs/MFH Owners must explain to families the consequences, if any, of revoking their consent.

### **Determining Eligibility of Applicants for Admission and Assistance**

The Moravian Houses are obligated to determine the eligibility of each applicant on a case-by-case basis. The Moravian Houses will admit applicants in accordance with the eligibility requirements of the program/project and the Moravian Houses will uniformly apply the eligibility and tenant selection criteria to all applicants. The Moravian Houses will not make certain inquiries to determine disabled person's eligibility. The Fair Housing Act regulations state that it is unlawful for the Moravian Houses to inquire:

- whether an applicant for a dwelling, person intending to reside in a dwelling after it becomes available, or anyone associated with an applicant or resident, has a disability as to the nature or severity of a disability of such persons(s)
- The Moravian Houses will, however, make the following inquiries, provided these inquiries are made of all applicants, whether they are persons with disabilities
- inquiry into an applicant's ability to meet the requirements of tenancy
- inquiry to determine if an applicant is a current illegal abuser or addict of a controlled substance
- some properties may be lawfully restricted to persons with disabilities in general, or to persons that fall within one or more of three categories of disability (i.e. physical disability, developmental disability, chronic mental illness), the Moravian Houses will make inquiries of all applicants to determine whether an applicant qualifies for the housing that is available only to persons with disabilities, or to members of the category of disability served by the project
- an applicant qualifies for a priority available to persons with disabilities or to persons with a particular category of disability
- it is unlawful for the Moravian Houses to make inquiries designed to determine whether an applicant may live independently
- the application does advise all tenants that if they have a disability and need a reasonable accommodation to participate in the application process or to make effective use of the housing program, they have the right to request such an accommodation. Moravian House management or qualified staff member will define reasonable accommodations and explain the process by which the housing provider will consider requests for reasonable accommodations. The Moravian Houses will verify a person's disability but must adhere to certain verification guidelines. The Moravian Houses will verify a persons' disability only to the extent necessary to document those applicants:
  - are qualified for the housing for which they are applying.
  - are qualified for deductions used in determining adjusted income.
  - are entitled to any preference they may claim.
  - who have requested a reasonable accommodation and has a disability-related need for the requested accommodation or modification.
  - need the design features of the unit.

- the Moravian Houses will not require applicants to provide access to confidential medical records to verify a disability.
- the Moravian Houses will not charge applicants for costs associated with accepting and processing applications, screening applicants, or verifying income and eligibility. The Moravian Houses will not require applicants to pay application fees, credit report charges, charges for home visits, charges to obtain a police report(s), or verifying income and eligibility or other costs associated with the above functions. These costs are considered project expenses.
- the Moravian Houses will not collect any money from tenants at initial occupancy other than rent and the maximum HUD-allowed security deposit and pet deposit.

**Income Limits**

All of the following income limits are based on the median income for a Metropolitan Statistical Area (MSA).

**Project Subsidy Requirement  
Moravian Houses I & II Eligibility Requirements**

<b>Income Limits</b>	<b>Median Income for the Area</b>
Low Income Limit	80% of median income Moravian House I Market Rent Moravian House I Section 8 Moravian House II Section 202/8
Very Low-Income Limit	50% of median income Moravian Houses I & II Section 8
Extremely Low-Income Limit	30% of median income Moravian Houses I & II Section 8

The Moravian Houses, with Section 8, are required to ensure that during a fiscal year at least 40% of the units that become available, together with initial certifications of in-place tenants, serve existing tenant low-income families. The Moravian Houses will alternate between the first extremely low-income applicant on the waiting list and the applicant at the top of the waiting list. To implement this method, the Moravian Houses select the first extremely low-income applicant on the waiting list (which may mean “skipping over” some applicants with higher incomes) for the available unit, and then select the next eligible applicant currently at the top of the waiting list (regardless of income level) for the next available unit. As subsequent units become available, tenant selection continues to alternate between the next extremely low-income applicant and the eligible applicant at the top of the waiting list until the 40% target is reached. NOTE: It is possible that selection of the “next extremely low-income applicant” may result in selecting the applicant at the top of the waiting list or selection of the “eligible applicant at the top of the waiting list” may result in the selection of an extremely low-income family. Should the Moravian Houses have actively marketed available units to extremely low-income families and if the Moravian Houses are unable to achieve the 40% target for admissions and initial certifications, the Moravian Houses are permitted to rent to other eligible families after a reasonable marketing period has expired, usually 60 days. The Moravian Houses will maintain complete record of the marketing effort targeted to extremely low-income families and will demonstrate that reasonable efforts were made to fill available units with extremely low income families. The Moravian Houses do also demonstrate that an ongoing effort to meet the 40% requirement is being made. HUD and/or the Contract Administrator will monitor compliance with this requirement.

- **Minimum Income Requirement:**
  - Moravian House I applicants: Market Rent applicants who receive no other form of assistance, such as Section 8, may be screened for the ability to pay the Market Rent amount.

- Moravian Houses I & II may establish a reasonable minimum income requirement to access the applicant's ability to pay the rent. In the Section 8 Supplemental Programs, the Moravian Houses do not establish a minimum income requirement for applicants.

### **Procedures for Accepting Applications and Selecting from the Waiting List**

To ensure that applicants are appropriately and fairly selected for the next available unit, the Moravian Houses have and will maintain waiting lists with appropriate information taken from the application for tenancy. Anyone who wishes to be admitted to an assisted property or placed on a property's waiting list must complete an application. The application must include a signature from the applicant certifying the accuracy and completeness of the information provided. Although HUD does not prescribe an application format, Moravian Houses written application form used to initiate verification of eligibility factors will include the following data:

- Household characteristics – name, sex, age, disability status (only where necessary to establish eligibility) of each household member, need for an accessible unit, and race/ethnicity of head of household
- Applicants who are requesting a mobility accessible unit or a unit for persons with hearing or vision impairment. **Qualified applicants who require the accessible features of a unit must be offered the unit before a household not needing the features of the unit.** The waiting list must clearly reflect the date that an applicant submitted his/her application
- General household contact information – address, phone number; identification of the approved preferences, if HUD approval is required for which the household qualifies
- Sources and estimates of household's anticipated annual income and assets
- Citizenship declaration and consent forms
- Prior landlords (7 years), credit, drug and criminal history consistent with the property's tenant selection policies.
- The Moravian Houses require all the detailed information needed to decide of eligibility.

The Moravian Houses will keep the waiting list as up to date as possible which helps reduce errors and minimize the administrative resources expended on processing information regarding applicants which are eligible or no longer interested in residing in the property. An applicant may be on multiple waiting lists based upon the application dates and times and qualification for preferences if used, and placement on these multiple lists may vary. The Moravian Houses do periodically update their waiting lists. The Moravian Houses require applicants to contact the property every six months in order to stay on the waiting list. The Moravian Houses do attempt to make a preliminary eligibility determination before putting a household on the waiting list. The Moravian Houses review the application to ensure that there are no obvious factors that would make the applicant ineligible. A final eligibility determination is made at the time the unit is available. Using this system, the Moravian Houses avoid performing the eligibility determination twice before admitting the applicant to the property, but the result may be that applicants placed on the waiting list may ultimately be found to be ineligible. Alternatively, the Moravian Houses may choose to place applicants on the waiting list after making a more in-depth eligibility determination; however, if an applicant remains on the waiting list for an extended period, the Moravian Houses will need to complete another full determination once the applicant reaches the top of the list. Applicants who are obviously not eligible for tenancy must be rejected. The Moravian Houses are permitted to screen applicants for suitability to help them to determine whether to accept or deny an applicant's tenancy.

### **Procedures for removal from the Waiting List**

The Moravian Houses will document removal of any names from the waiting list with the time and date of the removal. Applicant removal policies the Moravian Houses may adopt are:

- The applicant no longer meets the eligibility requirements for the property or program
- The applicant fails to respond to a written notice for an eligibility interview
- The applicant is offered and rejects three (3) units in the property
- Mail sent to the applicant's address is returned as undeliverable
- The unit that is needed changes, and no appropriate size unit exists in the property



- The Moravian Houses will notify the waiting list applicants of any changes to the Tenant Selection Plan

### **Opening and Closing the Waiting List**

The Moravian Houses monitor the vacancies in their properties and their waiting lists regularly to ensure that there are enough applicants to fill the vacancies. Furthermore, the Moravian Houses monitor their waiting lists to make sure that they do not become so long that the wait for a unit becomes excessive.

The waiting list may be closed for one or more-unit sizes when the average waiting is excessive (e.g., one year or more). When the Moravian Houses close the list, they will advise potential applicants that the waiting list is closed and refuse to take additional applications. When the Moravian Houses decide to no longer accept applications, they will also publish a notice to that effect in a publication likely to be read by potential applicants.

When the Moravian Houses agree to accept applications again, the notice of this action must be announced in a publication likely to be read by potential applicants in the same manner and publication as the notification that the waiting list was closed. Advertisements will include where and when to apply and should conform to the advertising and outreach activities described in the Affirmative Fair Housing Marketing Plan.

### **Limited English Proficiency (LEP)**

For persons who do not speak English as their primary language and those who have a limited ability to speak, read, write, or understand English, we will make reasonable efforts to provide language assistance. We will arrange to provide forms relating to tenancy in a language that is understood by the individual. We will make every effort to obtain oral interpretation and written translation services if deemed necessary.

### **Procedures for Applying Preferences**

Applicants with preferences are selected from the waiting list and receive an opportunity for an available unit earlier than those who do not have a preference. Preferences affect only the order of applicants on the waiting list; therefore, they do not make anyone eligible who was not otherwise eligible, and they do not change an owner's right to adopt and enforce tenant screening criteria. The Moravian Houses must inform all applicants about available preferences and give all applicants an opportunity to show that they qualify for available preferences. Congress and HUD have established various types of preferences to provide housing to those most in need. HUD rules currently include different kinds of preferences that apply to various programs. The Moravian Houses will apply preferences to applicants based on the rules for the property subsidy type as well as any owner-adopted preferences. The following are types of preferences:

- **State and Local Preferences:**
  - The Moravian Houses may apply preferences required by state or local law only if they are consistent with HUD and applicable civil rights requirements. The Moravian Houses will receive HUD approval to apply this locally legislated requirement.
- **Moravian Houses' Adopted Preferences:**
  - The Moravian Houses are permitted to establish other preferences for assisted properties if they are subordinate to any program-specific preferences and comply with applicable fair housing and civil rights statutes. Some of these owner-adopted preferences require prior HUD approval and some do not. The Moravian Houses have not selected the owner-adopted preferences at this time, but Moravian Houses will post and include in the Tenant Selection Plan any changes to this choice.

### **Applicant Screening Criteria**

The Moravian Houses do establish standards that would prohibit admission of the following so to improve our community's and resident's safety and that our policy is substantial, legitimate and has no discriminatory interest:

- Any household containing a member(s) who was evicted in the **last three (3) years** from federally assisted housing for drug-related criminal activity. There are two (2) exceptions to this provision:
  - The evicted household member has successfully completed an approved, supervised drug rehabilitation program for the **past three (3) years**
  - The circumstances leading to the eviction no longer exist (e.g., the household member no longer resides with the applicant household).
- A household in which any member is currently engaged in illegal use of drugs or for which Moravian Houses have reasonable cause to believe that a member's illegal use or pattern of illegal use of a drug may interfere with the health, safety, and right to peaceful enjoyment of the property by other residents
- Any household member who is subject to a state sex offender lifetime registration requirement
- Any household member, if there is reasonable cause to believe that member's behavior from abuse or pattern of abuse of alcohol, may interfere with the health, safety and right to peaceful enjoyment by other residents. The screening standards will be based on behavior, not the condition of alcoholism or alcohol abuse.
- The Moravian Houses may establish additional standards that prohibit admission if the Moravian Houses determines that any household member is currently engaging in, or has engaged in the following activities during a reasonable time before the admission decision:
  - **Drug related criminal activity**
    - The Moravian Houses will include additional standards beyond the required standards that prohibit admission where any member has been convicted one or more times of the illegal manufacture or distribution of a controlled substance as defined in the Controlled Substances Act.
- The Moravian Houses will include additional standards beyond the required standards that prohibit admission where any member has been convicted for crimes relating to drugs, violent crimes, property crimes and/or sex crimes.
- The Moravian Houses may set a period longer than required by the regulation that prohibits admission to a property for disqualifying behavior.
- The Moravian Houses may reconsider the application of a previously denied applicant if the owner has sufficient evidence that the member(s) of the household are not and have not engaged in criminal activity which results in a conviction for a reasonable period – **over 5 years** and that the member(s) of the household's criminal history does not pose a threat to the community or residents.
- In developing optional screening criteria for a property, and applying the criteria to specific cases, the Moravian Houses may consider all the circumstances relevant to a particular household's case. Such considerations may not be applied to the required screening criteria described above. These types of circumstances include:
  - the seriousness of the offense.
  - the effect denying tenancy would have on the community or on the failure of the responsible entity to act.
  - the degree of participation in the offending activity by the household member.
  - the effect denying tenancy would have on non-offending household members.
  - the demand for assisted housing by persons who will adhere to lease responsibilities also the extent to which the applicant household has taken responsibility and takes all reasonable steps to prevent or mitigate the offending action.
  - the effect of the offending action on the program's integrity for each project assisted under a contract for project-based which are the Moravian Houses.
- The Moravian Houses shall ensure that the relevant "reasonable time" period is uniformly applied to all applicants in a non-discriminatory manner and in accordance with applicable fair housing and civil rights laws.

- The Moravian Houses may require an applicant to exclude a household member when that member's past or current actions would prevent the household from being eligible.

### **Screening for Credit History**

Examining an applicant's credit history is one of the most common screening activities. The purpose of reviewing an applicant's credit history is to determine how well applicants meet their financial obligations. The Moravian Houses will reject an applicant for a poor credit history, but a lack of credit history is not sufficient grounds to reject an applicant. The Moravian Houses are most often interested in an applicant's credit history related to rent, utility, loans and credit card payments. Moravian Houses consider any credit history of Bankruptcy in the past seven (7) years, charge off credit for poor or no payment to be eligible unless present credit history is poor such as collection accounts, charged off and other accounts listed as 90 to 180 days overdue especially utility, telephone, and landlord rents would be indelible criteria for the Moravian Houses. A requirement for applicants to have a perfect credit rating is generally too strict a standard. The Moravian Houses generally focus on credit activity for the past five (5) years and the Moravian Houses may have to justify the basis for a determination to deny tenancy because of the applicant's credit rating, so there should be a sound basis for the rejection.

### **Screening for Rental History**

In addition to determining whether applicants are likely to meet their financial obligations as tenants and pay rent on time, the Moravian Houses are also interested in whether applicants could meet the requirements of tenancy. The Moravian Houses do not reject an applicant for lack of a rental history but can reject an applicant for a poor rental history.

### **Occupancy Standards**

The Moravian Houses occupancy standards will comply with the following:

- Federal, State, and Local Fair Housing and Civil Rights Laws
- Tenant-Landlord Laws
- Project Eligibility
- HUD's Equal Opportunity and Non-Discrimination Requirements under HUD's administrative procedures.

The Moravian Houses have established a standard for assigning unit size based on specific characteristics of the property as containing all one-bedroom apartments; therefore, the general standard of two (2) persons per bedroom is acceptable to the Moravian House project.

The Moravian Houses occupancy standards establish the size of the unit a family will occupy, but the Moravian Houses will avoid making social judgments on a family's sleeping arrangement. The Moravian Houses may consider the size of the unit and the size of the bedroom, so long as their policy allows for family preferences (within HUD guidelines) to be considered. The Moravian Houses will take into consideration the following factors:

- The number of persons in the family
- The age, sex, and relationship of family members
- The family's need for a larger unit as a reasonable accommodation
- Balancing the need to avoid overcrowding with the need to avoid under-utilization of the space and unnecessary subsidy – generally counting family members in order to determine the size of unit that would be appropriate for a particular family
- The Moravian Houses need to determine the number of family members and must count all full-time members of the family

The Moravian Houses must also count all anticipated children including the following:

- Children expected to be born to a pregnant woman
- Children in the process of being adopted by an adult family member
- Children whose custody is being obtained by an adult family member
- Foster children who will reside in the unit
- Children who are temporarily in a foster home who will return to the family
- Children in joint custody arrangements who are present in the household 50% or more of the time.



- The owner may count children who are away at school and who live at home during recesses.
- The owner must count live-in aides for purposes of determining appropriate unit size.
- It is not for the Moravian Houses to determine whether an unmarried couple may share the same bedroom or whether a young child can share a bedroom with a parent.
- As the Moravian Houses develop and implement occupancy standards, the Moravian Houses will take into consideration the following factors:
  - The number of persons in the family
  - The sex and relationship of family members

### **Timeframe for Applying Occupancy Standards**

The Moravian Houses will apply their occupancy standards before assigning the family to a unit. The Moravian Houses will review family size and occupancy standards prior to completing all the required verifications so that if the property cannot accommodate the family, the Moravian Houses may immediately inform the family of its ineligibility. The Moravian Houses also compare family composition to occupancy standards when there is a change in family size. This comparison is done to determine whether the family needs to transfer to another unit.

### **Prohibition of Occupancy Standards that Exclude Children**

The Fair Housing Act prohibits housing providers from discriminating based on familial status, making it illegal to discriminate against elderly families because of the presence of children. The Moravian Houses will neither exclude elderly families with children from their properties, nor may they develop policies or procedures that have the purpose or effect of prohibiting children. The Moravian Houses may not exclude otherwise eligible elderly families with children from elderly properties or elderly/disabled properties covered by the HUD handbook.

### **Moravian House I General Occupancy Standards – Market Rent/8**

The Moravian Houses have discretion in developing occupancy policies that meet the needs of the specific property. HUD does not prescribe specific policies; however, the Moravian Houses will implement and provide guidelines that the Moravian Houses will follow when developing written occupancy standards. All applicants 62 years of age or older, disabled/mobility impaired and Section 8. The family's annual income must not exceed program income limits.

### **Moravian House II General Occupancy Standards – Sections 202/8**

Moravian House II only has discretion in developing occupancy policies that meet the needs of the specific property. Elderly families 62 year of age and older and persons with disabilities in 10% of the units which are accessible to persons (elderly or non-elderly) **who require the accessibility features of the unit** are designed for persons with physical disabilities are eligible. The head or spouse may be elderly or non-elderly and **must have a disability requiring the accessible feature**. When assigning accessible units, the Moravian Houses will treat equally elderly and non-elderly applicants with disabilities who require the accessible features of the unit, unless one applicant has an owner-adopted restriction or preference. Moravian Houses' Section 202/8 project for persons with disabilities serve one or more of the following statutorily recognized categories of disability based upon the population to be served as described in the application for funding:

- Persons with physical disabilities
- Persons with development disabilities
- Persons with chronic mental illness

The family's annual income must not exceed program income limits.

### **Eligibility for Accessible Units**

A percentage of units in the Moravian Houses contains accessible features. Eligibility for these accessible units may be limited to a specific population (e.g., persons with mobility impairments). The Moravian Houses will place applicants eligible for an accessible unit on the waiting list in accordance with the property's waiting list procedures. The Moravian Houses will not prohibit an eligible family with a

member who has a disability from accepting a suitable non-accessible unit if no accessible unit is available when the family reaches the top of the waiting list. Moravian Houses will make physical alterations to the non-accessible unit as a reasonable accommodation, unless the alterations would result in an undue financial and administrative burden or allow the applicant to make the accommodation.

- Order of Assigning Accessible Units:
  - The Moravian Houses will take reasonable, non-discriminatory steps to maximize the use of accessible units by eligible individuals whose disability requires the accessibility features of a particular unit. As part of this requirement, the Moravian Houses will assign available accessible units to tenants/applicants in the following order:
    - Current Tenants:
      - The Moravian Houses will first offer the unit to an individual with disabilities currently residing in a non-accessible unit in the same project or comparable project under common control, who requires the features of the unit.
    - Applicants with Disabilities:
      - If no current tenants require the special features of the accessible unit, the Moravian Houses will then offer the unit to the next qualified applicant on the waiting list with a family member who needs the features of the accessible unit.
    - Applicants with No Disabilities:
      - When neither a current tenant nor a qualified applicant requires the features of the available accessible unit, the Moravian Houses may offer the unit to another tenant or applicant in a manner consistent with the property's tenant selection policy and will incorporate into the lease an agreement that the tenant will move to a non-accessible unit of the proper size within the same property when one becomes available. The lease addendum will state whether the tenant or the owner will pay for the cost of such moves. In the case where the members of the tenant household who required the special features of the accessible unit no longer reside in the unit, and where the lease permits, the Moravian Houses will require the remaining members of the household to move to a unit without accessibility features.
      - A Lease Addendum must be executed, stating that if no household members in an accessible unit require the features of the unit, the household must transfer to a comparable and available non-accessible unit (for which the household qualifies) at the owner's expense when the accessible unit is needed for an applicant who requires the units' features. This transfer process must occur before other applicants are admitted into an available non-accessible vacant unit.

### **Conditions for Rejecting an Applicant**

The Moravian Houses may reject an applicant if the applicant:

- is ineligible for occupancy in a particular unit or property
- is unable to disclose and document Social Security Numbers of all household members
- does not sign and submit verification consent forms or the Authorization for Release of Information (forms HUD-9887 and HUD-9887-A)
  - This includes revocation of current Form HUD-9887 on file.
- has household characteristics that are not appropriate for the specific type of unit available at the time
- that has a family of a size not appropriate for the unit sizes that are available.
- does not meet conditions otherwise described here in such as Asset Limitations (see pg 39).

### **Notification of Applicant Rejection**

Rejection notices will be in writing. The written rejection notice will include:

- the specifically stated reasons(s) for the rejection
- the applicant's right to respond to the owner in writing or request a meeting within 14 days to dispute the rejection
- the Moravian Houses' meeting with applicants to discuss the rejection must be conducted by a member of the Moravian Houses' staff who was not involved in the initial decision to deny admission or assistance within 5 business days of the Moravian Houses' response or meeting
- The Moravian Houses must advise the applicant in writing of the final decision on eligibility.

### **Denial of Assistance to Non-Citizens Applicability**

The restriction on assistance to non-citizens applies to all properties as follows:

- **Offering and Continuing Assistance:**
  - The Moravian Houses cannot deny assistance to applicants who submitted their immigration documentation in a timely manner, for whom the DHS verification or appeals process has not been completed. If a unit is available, the family has come to the top of the waiting list, and at least one member of the family has submitted the required documentation in a timely manner, the Moravian Houses will offer the family a unit, providing subsidy to those family members whose documents were received on time; however, until the Moravian Houses has received and verified the immigration status of any remaining non-citizen family members, the Moravian Houses will provide pro-rated assistance to the family
- **Events Triggering Denial of Assistance:**
  - The Moravian Houses will deny assistance to an applicant upon the occurrence of any of the following:
    - The applicant fails to submit evidence of citizenship (i.e., the declaration) and eligible immigration status by the date specified by the owner.
    - The applicant submits evidence of citizenship and eligible immigration status on a timely basis, but DHS primary and secondary documentation does not verify eligible immigration status of a family member
    - The family does not pursue a DHS appeal or informal hearing rights as provided in this section
    - The family pursues a DHS appeal and informal hearing, but the final decision is against the family member
    - The notice of denial or termination of assistance must advise the applicant family that:
      - The Moravian Houses will deny or terminate rental assistance and give reasons for this action
      - The family may be eligible for proration of assistance
      - Tenants – but not applicants – may be eligible to obtain relief under the provisions for preservation of families (i.e., they may be eligible for a temporary deferral of denial of assistance).
      - The family has a right to request an appeal to the DHS of the results of secondary verification of immigration status and to submit additional documentation or a written explanation in support of the appeal
      - The family has a right to request an informal hearing with the owner either upon completion of the DHS appeal or in lieu of the DHS appeal (the family can take advantage of two types of appeal)
      - For applicants, the notice of denial must advise that if they have failed the primary and secondary verification and submitted an appeal to the DHS, but the DHS process has not been concluded, the applicant will receive assistance in a timely manner. (If the DHS decision is

negative, the family's assistance may then be terminated.) However, once the DHS appeal process is complete, and the family receives a negative decision on the DHS appeal, the Moravian Houses may delay assistance while providing the family with an opportunity for an informal meeting to appeal the decision.

- **DHS Appeal Process:**
  - **The Submission of Appeal Request:**
    - When the Moravian Houses receive notification from the DHS that secondary verification has failed to confirm eligible immigration status, the owner must notify the family of this result. The family has thirty (30) days from the date of the owner's notification to request an appeal of the DHS results. The family must make the request in writing directly to the DHS and must provide the Moravian Houses with a copy of the written request for appeal and proof of mailing.
  - **Documentation to be submitted as part of appeal to DHS:**
    - If the family has additional documentation or written explanation to support this appeal, the family must submit it directly to the DHS office. This material must include a copy of the DHS document verification request, Form DHS G-845S (used by Moravian Houses to process the secondary verification request), or any other form specified by the DHS and a cover letter stating that the family is requesting an appeal of the DHS immigration status verification results.
  - **When DHS will issue Decision:**
    - The DHS will issue a decision within thirty (30) days of its receipt of documentation concerning the family's appeal of the verification of immigration status. The notice will be sent to the family and a copy will be sent to Moravian Houses. If, for any reason, the DHS is unable to issue a decision with thirty (30) days, the DHS will inform the family and Moravian Houses of the reason for the delay.
  - **Notification of DHS Decision and of Informal Hearing Procedures:**
    - When the Moravian Houses receive a copy of a DHS decision, Moravian Houses will notify the family of its right to request an informal hearing on the owner's ineligibility determination. No delay, denial, reduction, or termination of assistance will be made until completion of DHS appeal process. Until any appeal made to the DHS is resolved, owners must not delay, deny, reduce, or terminate assistance based on immigration status.
  - **When Request for Informal Hearing is to be made:**
    - If the DHS decision will cause the applicant to be denied, or if the family chooses not to appeal to DHS, the family may request that the owner provide an informal hearing. The request for a hearing must be made either within thirty (30) days of receiving the notice from the owner denying assistance, or within thirty (30) days of receiving the DHS appeal decision.
  - **Retention of Documents:**
    - The Moravian Houses will retain for a minimum of five (5) years the following documents that may have been submitted to the owner by the family or provided to the Moravian Houses as part of the DHS appeal or the informal hearing process:
      - The application for financial assistance
      - The form completed by the family for income re-examination
      - Photocopies of any original documents (front and back) including original DHS documents
      - The signed verification consent form

- The DHS verification results
- The request for a DHS appeal
- The final DHS determination
- The request for an informal hearing
- The final informal hearing decision

**Section 504 of the Rehabilitation Act of 1973 – Fair Housing Act:**

Federal civil rights laws addressing fair housing prohibits discrimination against applicants or tenants based on one or more of the following classifications:

- Race
- Color
- National Origin
- Age
- Disability
- Religion
- Familial status
- Perceived Sexual Orientation
- Gender identity
- Marital status
  - Familial status refers to families living with children under the age of eighteen, regardless of age or number of children. Familial status also includes pregnant women, families that are planning to adopt, and families that have or are planning to have foster children or to become guardians of children.

Moravian Houses policies are not to require tenants with disabilities to carry personal liability insurance when it does not require tenants without disabilities to carry such insurance. Moravian Houses do not have a policy which prohibits tenants from having live in aides or using assistive devices in certain parts of the premises. The Moravian Houses have also modified any neutral policies which have the effect of discriminating based on disability.

The Moravian Houses modified a “no dog over 15 pounds” policy to allow a tenant with a disability who needs an assistance animal as a result of his or her disability, to have that animal. The Moravian Houses have initiated an animal policy consistent with HUD regulations for elderly persons to have animals. The Moravian Houses have not failed to provide reasonable accommodations when such accommodations may be necessary to afford a person with disabilities equal opportunity to use and enjoy a dwelling unit and the public and common areas. The Moravian Houses will ensure that their policies and procedures do not have disparate or impact on persons with disabilities. The Moravian Houses are not required to provide supportive or other services (e.g., counseling, medical or social services) that fall outside the scope of the applicable housing program for the property. Applicants who need services not provided by the project must be allowed to arrange for those services on their own.

**Section 504 of the Rehabilitation Act of 1973 – Section 504:**

Section 504 prohibits discrimination based upon disability in all programs or activities operated by recipients of federal financial assistance. Section 504 regulations establish affirmative accessibility requirements for newly constructed or rehabilitated housing, including providing a minimum percentage of accessible units. Section 504 regulations also require that recipients not discriminate on employment based upon disability. To qualify for admission to one of the units for the elderly, the applicant must be an elderly family to qualify for admission to one of the units specifically designed for persons with physical disabilities, the head or spouse must be at least 18 years old and have a disability requiring the accessible design features of the unit. Persons with degenerative conditions (e.g., AIDS, multiple sclerosis, or cancer) qualify for one of these units if they require the accessible design features of the unit. Persons who meet the definition of a “person with disabilities” and who do not require the accessible features of these units may be admitted to the project (Moravian House I only) only if they qualify as elderly for one of the units designed for elderly occupancy. In assigning units designed for disabled persons needing accessible feature, Moravian Houses will treat elderly applicants with disabilities and non-elderly applicants with disabilities



qualify, unless one applicant has a preference adopted by the owner such as a residency preference or a preference for working families, disability or other groups.

**Fair Housing Act, Title VIII of the Civil Rights Act of 1968:**

The Act applies to all housing units subject to the HUD handbook. The Moravian Houses will not take any of the actions listed below based on race, color, religion, sex, disability, familial status, national origin or those associated with the individual:

- Federal Civil Rights laws addressing fair housing prohibit discrimination against applicants or tenants based on one or more of the following classifications:
  - Race
  - Color
  - National Origin
  - Sex
  - Age
  - Disability
  - Religion
  - Familial status

There are multiple laws that address the rights of tenants in HUD-subsidized multifamily housing. Other applicable laws and regulations include the following:

- Any state civil rights laws or local ordinances pertaining to housing.
- The Moravian Houses may be subject to local and/or state laws that prohibit discrimination based upon membership in other classes (e.g., marital status or sexual orientation) and any other legislation protecting the individual rights of tenants, applicants, or staff that may subsequently be enacted. They are to:
  - Deny anyone the opportunity to apply to rent housing,
  - Deny to any qualified applicant the opportunity to lease housing suitable to his or her needs
  - Provide anyone housing that is different from that provided to others
  - Subject anyone to segregation, even if by floor or wing
  - Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
  - Treat anyone differently in determining eligibility or other requirements for admission, in use of the housing amenities, facilities or programs
  - In the terms and conditions of a lease and deny anyone access to the same level of services.

Moravian Houses are certain that all services at the project are supplied in a nondiscriminatory fashion.

- **Additional Protections for Persons with Disabilities:**
  - Specifically, the Fair Housing Act requires Moravian Houses to provide "reasonable accommodations" to persons with disabilities. Moravian Houses have modified rules, policies, practices, procedures, and/or services to afford a person with a disability an equal opportunity to use and enjoy the housing.
- **Fair Housing Poster:**
  - The Moravian Houses do display the Fair Housing poster as required by the Fair Housing Act and HUD regulations.
- **Other Prohibited Rental Activities:**
  - The Moravian Houses will not engage in activities that steer potential tenants away from or toward particular units by words or actions based on race, color, religion, sex, disability, familial status, or national origin. Such prohibited actions include the following:
    - Discouraging anyone from inspecting or renting a unit in a community, neighborhood, or property.
    - Discouraging anyone from renting a unit by exaggerating the problems of a unit or failing to inform a person of the good points of the unit in a community, neighborhood, or property.
    - Assigning any person to a particular section of a community, neighborhood, or project or to a particular floor of a building, because of race, color, religion, sex,

- disability, familial status, or national origin, except when assigning an accessible unit to a person with a disability who needs the features of the unit.
- Denying or delaying the processing of an application made by a renter.

### **Discrimination in the Representation of Available Dwellings**

The Moravian Houses will not purposely provide false information to applicants about the availability of units that limits the living options of prospective tenants based on race, color, religion, sex, disability, familial status, or national origin of the applicant or persons associated with the applicant.

### **Discrimination in Terms, Conditions, Privileges, Services, and Facilities**

The Moravian Houses will not deny, or limit services based on race, color, religion, sex, disability, familial status, or national origin of the applicant, tenant, or a person associated with the applicant or tenant. Prohibited activities include, but are not limited to the following:

- Using different requirements in leases. Examples include charging different rents, different security deposits or requiring persons with disabilities who use electric wheelchairs or motorized scooters to have personal liability insurance. NOTE: This prohibition includes the use of different house rules or different tenants. For instance, Moravian Houses do not:
  - have more stringent noise requirements for families with children than for families without children.
  - do not fail to provide or delay maintenance on rental units.
  - do not fail to process a rental offer.
  - limit the use of privileges, services, or facilities associated with renting a unit.
  - deny or limit services because the renter failed or refused to provide sexual favors.
  - provide extra benefits to an individual in exchanged for the provision of sexual favors

### **Unlawful Refusal to Rent or Negotiate for Rental Dwelling**

The Moravian Houses will not refuse, either directly or indirectly, to rent or negotiate for rental of a dwelling based on an individual's race, color, religion, sex, disability, familial status or national origin or those of a person associated with the individual.

### **Discrimination in Marketing, Statements, and Notices**

The Moravian Houses will not market available units in a non-discriminatory manner. These include:

- Applications
- Flyers
- Brochures
- Deeds
- Signs
- Banners
- Posters
- Billboards
- Or other documents used to market available units

Actions prohibited by this requirement include:

- Using words, phrases, photographs, illustrations, symbols, or forms that suggest that units are available or not available to certain people based on race, color, religion, sex, disability, familial status, or national origin.
- Expressing to agents, brokers, employees, prospective renters, or any other person a preference for or limitation on any renter based on race, color, religion, sex, disability, familial status, or national origin.
- Selecting media or locations of advertising the renting of units that are unlikely to attract particular people to apply for occupancy at the property because of race, color, religion, sex, disability, familial status, or national origin.

- Refusing to advertise for the rental of units or requiring different charges or terms of such advertising based on race, color, religion, sex, disability, familial status, or national origin.

**Retaliatory Occupancy Practices, Coercion, Intimidation, and Interference**

The Moravian Houses will not unlawfully take such action on account of a person’s actions to aid or encourage any other person in the exercise or enjoyment of any Fair Housing rights. The Moravian Houses will not initiate any of the following practices to anyone by:

- intimidating or threatening a person verbally, in writing, or in some other way that results in that person being denied the benefits of living in a unit (including creating an environment hostile to applicants or tenants with respect to one or more of the prohibited bases listed above).
- threatening, intimidating, or interfering with a person’s enjoyment of a dwelling because of the race, color, religion, sex, disability, familial status, or national origin of such person, or of visitors or associates of such person (including sexual harassment).
- threatening an employee or agent with firing or other negative action for any legal, non-discrimination, pro-regulatory, effort to help someone rent a unit.
- intimidating or threatening any person because that person is engaging in activities designed to make other persons aware of Fair Housing rights or encouraging such other persons to exercise their Fair Housing rights.
- failing to investigate and address allegations that a tenant or group of tenants is harassing or threatening another tenant because of that tenant’s race, color, national origin, sex, religion, disability, or familial status.
- retaliating against a person who has made a complaint, testified, or in any way assisted with proceedings under the Fair Housing Act.

**Non-discrimination and Accessibility Requirement:**

Under Section 504, the Moravian Houses operate each existing housing project so that, when viewed in its’ entirety, it is readily accessible to and usable by persons with disabilities including the following:

- Making modifications to policies and practices so they do not discriminate against persons with disabilities.
- Taking appropriate steps to ensure effective communication with applicants, tenants, and the public.
- The Moravian Houses use requests by persons with disabilities to determine which alterations an auxiliary aid needed.
- Taking required steps to meet the 5% threshold for units fully accessible to persons with mobility impairments and the 2% requirement for units accessible for persons with visual and hearing impairments.
- Making public spaces and dwelling units accessible, provided that the changes do not result in an undue financial and administrative burden or require fundamental alterations in the nature of their programs.

**Transfer Requirements:**

- **Medical reasons/disability:**
  - The Moravian Houses will be obligated to transfer tenants to different units as a reasonable accommodation to a household member’s disability. Transfers which are needed as a reasonable accommodation should be made on a priority basis. The Moravian Houses will keep a waiting list for Unit Transfers. The Moravian Houses will only accept reasonable unit transfers such as a disability requirement from a licensed Physician. The Moravian Houses will consider a transfer to need to live on a lower floor requirement from a licensed Physician. Priority will be given to existing tenants of the Moravian Houses over the applicants on the waiting list. If a tenant is transferred as an accommodation to a household member’s disability, then the Moravian Houses may be obligated to pay the costs associated with the transfer.

- **Non-Medical/disability:**
  - If a tenant requests a non-medical/disability transfer to a different unit, the tenant may be obligated to pay all costs associated with the move.
  - Market Rent Tenants will be allowed to transfer into a subsidized position for Section 8 when they become eligible under HUD handbook regulations.

### **Determining Recertification Anniversary Dates**

The recertification anniversary date is the first day of the month in which the tenant moved into the property. A tenant moving in with non-assistance payment, such as a Market Rent Tenant, who later begins receiving assistance payments, will have his or her annual recertification date changed to the first day of the month that the tenant began receiving assistance from HUD. The recertification anniversary date does change if a tenant transfers from one unit to another unit at the same property.

### **Interim Recertifications**

When a tenant requests an interim recertification or when a tenant reports changes in income or other circumstances as is required by them within 10 days of the change, the Moravian Houses will take the following steps when processing an interim recertification:

- The Moravian Houses will interview the tenant to obtain information on the reported change.
- The Moravian Houses will also review and ask if there have been other changes to family composition, income, assets or allowances since the most recent certification.
- Obtain third-party verification of the income or other facts reported as changed since the last recertification and maintain documentation in the tenant file.
- Input any changes to the tenant's income or other characteristics in the owner's software program and print a 50059 facsimile.
- Document the resulting changes in the tenant's rent and assistance payment by obtaining signatures on the 50059 facsimile from the head, co-head, and spouse and all other adult family members.
- Maintain copy with original signatures in the tenant file.
- Provide the tenant with a separate copy.
- After obtaining tenant and the Moravian Houses' representative's signatures, electronically transmit interim recertification to the Contract Administrator or HUD

The Moravian Houses will take the following steps upon learning that a tenant failed to report a change in income or family composition as stated in the lease:

- When the Moravian Houses learn that a tenant has experienced a change in family income or composition, they **must** immediately notify the tenant in writing of his/her responsibility to provide information about such changes. The Moravian Houses' notice will:
  - refer the tenant to the lease clause that requires the interim recertification.
  - give the tenant (ten)10 calendar days to respond to the notice.
  - inform the tenant that his/her rent may be raised to the market rent if the ten (10) day deadline is not met.
  - if the tenant responds to the notice and supplies the required information within ten (10) days, the Moravian Houses will process the request in accordance with subparagraph A above and implement any resulting rent changes.
  - if the tenant fails to respond within ten (10) calendar days of notice, the Moravian Houses will require the tenant to pay market rent as of the first rent period following the ten (10) day notice period. When the tenant subsequently submits the required information, the Moravian Houses will reduce the tenant's rent on the first of the following month.

### **EIV (Enterprising Income Verification) Existing Tenant Search**

HUD's EIV database will be utilized to run the Existing Tenant Search when processing an application to determine if any applicant household member may be currently residing and/or receiving assistance through another Multifamily Housing or Public and Indian Housing (PIH) location.

**Existing Tenant Search Report:**

All applicants **MUST** disclose if they are currently receiving HUD housing assistance. The Moravian Houses will not knowingly assist applicants who maintain a residence in addition to the HUD-assisted unit.

HUD provides the Moravian Houses with information about an applicant's current status as a HUD housing assistance recipient. The Moravian Houses will use the Existing Tenant Search Report during the final eligibility review to determine if the applicant or any member of the applicant household may be currently receiving HUD assistance. An individual report must be run for **ALL HOUSEHOLD MEMBERS, INCLUDING CHILDREN**.

Since the applicant is required to provide current landlord information on the application, the Moravian Houses should be aware of the housing assistance. Nothing prohibits a HUD housing assistance recipient from applying to this property. However, the applicant must move out of the current property and/or forfeit any HUD voucher before HUD assistance on this property will begin. Special consideration applies to minor children where both parents share 50% custody.

The report gives the Moravian Houses the ability to coordinate move-out and move-in dates with the PHA or the Moravian Houses of the property at the other location. The Moravian Houses will follow-up with the respective PHA or the Moravian Houses to confirm the individual's program participation status before admission. Notations pertaining to the status of applicants currently receiving subsidy at another property must be documented on the "Section 8 Existing Tenant MO Certification" form, and the notations must include:

- name of the person contacted at current applicant residence
- date/time of contact
- information provided including anticipated move-out date for the applicant(s) and other relevant information

If the applicant or any member of the applicant household fails to fully and accurately disclose rental history on the application, the applicant may be denied based on "misrepresentation" of information. If the Moravian Houses discover a discrepancy, the applicant will be notified and will have (five) 5 business days to respond to the inquiry. (Please see the "Tenant Selection Plan" for additional information pertaining to denial of applicants). The Moravian Houses will send the applicant a notice to request a meeting to discuss the information that was provided on the Existing Tenant Search report. Failure to respond to the Moravian Houses' request for additional information and/or providing false or incomplete information will result in denial and removal from the waiting list in accordance with the property's current Tenant Selection Plan.

**Record Keeping - Existing Tenant Search Report:**

The Existing Tenant Search Report must be maintained in the Applicants' or Tenant file.

If the information on the report results in an applicant not being accepted for housing assistance based on the applicant providing false or incomplete information, the report will be maintained in the applicants file, along with associated correspondence sent to the applicant to inform him/her of management's decision to deny him/her as an applicant.

If the information on the report results in information confirming that the applicant still resides at another property where he/she receives rental assistance, the report will be maintained in the applicant file along with the associated correspondence sent to the applicant to inform him/her of management's decision to deny him/her as an applicant based on the fact that he/she has not moved out of another property where he/she is receiving rental assistance.

If the information provided by a current landlord, as indicated on the 'Section 8- Existing MO Confirmation' form confirms that the applicant is currently being evicted, the Existing Tenant Search confirmation as indicated on the "Section 8-Existing MO Confirmation" and associated correspondence sent to the applicant and family must be maintained in the applicant's file.

A copy of the Existing Tenant Search report will be filed in each tenant file and a report must be included for each household member, including household minor and dependents. If the Existing Tenant Search report shows that any member of the applicant family is receiving rental assistance at another property, documentation must be included and noted on the "Section 8 Existing Tenant



MO Confirmation” confirming the move out date as provided by the landlord. Follow up action may or may not be needed based on information provided by the landlord at the property where the applicant is currently receiving rental assistance and in accordance with the Property’s Tenant Selection Plan.

**Multiple Subsidy Report:**

The Multiple Subsidy Report will be reviewed quarterly. The report allows the Moravian Houses to search TRACS database to identify individuals who may be receiving multiple rental subsidies. If the report shows that a resident is being assisted at another location, the Moravian Houses must contact the household and offer them the opportunity to dispute or explain the situation. If the results of the searches show that a tenant is being assisted at another location, the Moravian Houses must discuss these results with the household. The notice requires that the household meet with the Moravian Houses within five (5) days of the date of the notice.

The Moravian Houses must also contact the representative PHA or owner/agent of the other property showing on any multiple subsidy report and document all information obtained regarding receipt of multiple subsidies for any household member. Information will be documented on the property’s discrepancy log with notations on all follow-up completed by owner agent.

If any household member received or attempted to receive assistance in another HUD assisted unit while receiving assistance on this property, the household member will be required to reimburse HUD for assistance paid in error. This is considered a material non-compliance lease violation and may result in penalties up to and including evictions and pursuit of fraud charges.

**Search Options - Multiple Subsidy Report:**

When running the Multiple Subsidy Report, the Moravian Houses will perform both search options as shown below to determine, if possible, multiple subsidies exist:

- **Search within MF**
- **Search within PIH**

**Recordkeeping - Multiple Subsidy Report:**

Print out and maintain a copy of the Multiple Subsidy Report in the EIV discrepancy log file and include notations as to the outcome of contacts with the residents and/or PHA or owner/agent of other property. In addition, a copy of the Multiple Subsidy Report for the resident plus any documentation supporting any contacts made or information obtained to determine if a household and/or household member is receiving multiple subsidies as well as documentation to support any action taken if a household and/or household member is receiving subsidies must be retained in the tenant file.

The tenant file must only contain information for that specific household. Reports may need to be manually separated so that only information for the household is included in the tenant file.

**No Income Report:**

The No Income Report will be reviewed quarterly. The report provides the Moravian Houses with the list of tenants whose identities were verified by the SSA, but do not have or never have received SSA/SSI benefits or wages. Information obtained in the No Income Report must be compared to information provided by the applicant/tenant and any/all discrepancies with the information should be researched. Applicants/Tenants obtaining to have no household income should be listed on the No Income Report and if not listed on this report additional steps must be taken by the Moravian Houses to determine why the household is listed.

Discrepancies between information provided by the applicant/tenant and the information obtained in the No Income Report should be handled in the same manner as discrepancies obtained in the Income Discrepancy Report and all discrepancies must be documented, discussed with the applicant/tenant, and resolved within thirty (30) days of the date of the report.

Correction must be made for unreported or under-reported household income by processing the appropriate 50059 and processing repayment agreements (as warned) based on

the timeframe and amount of subsidy owed by the household, if any. In addition, households reflected on the No Income Report that have not reported to the Moravian Houses that household is currently receiving income should be contacted to review the information obtained and compared to information provided to the household. Sources of income not included on the No Income Report must be accounted for, verified according to the HUD Handbook 4350.3 guidelines and included on the household's 50059, such as child support income, recurring gifts, benefits not included in the EIV System, etc.

All households reporting zero income must complete a Section 8 - Zero Income Questionnaire in accordance with the "Section 8 - Standard Operating and Procedures Manual" on a quarterly basis as well. The questionnaire is intended to confirm households are meeting daily needs and to be determined if there is unreported household income that should be included as part of the household's annual income.

**Recordkeeping - No Income Reports:**

The Moravian Houses will maintain the No Income Reports with the EIV Discrepancy log file and include any documentation and correspondence with the household(s) to discuss discrepancies between the individual household reported income and the No Income Report. In addition, the owner/agent will maintain individual No Income Report in the tenant file along with any/all documentation and correspondence with the household relative to the household's reported income amounts and the No Income Report.

The Moravian Houses will "purge" EIV printouts at the end of tenancy plus three (3) years. The Moravian Houses will document the resident's file when information is destroyed. When documenting this action, provide information about when and how the information was destroyed.

**Reporting at Annual Certification, Interim Certification and Unit Transfer:**

Aside from the reports previously mentioned, the EIV Income Reports will be reviewed during annual and interim recertification. The Income report will be printed and reviewed within ninety (90) days after transmission of the move-in certification through iMAX and any income discrepancies will be resolved within thirty (30) days of the income report date. Reports will be produced and reviewed based on the following schedule:

<b>Annual Certification Month</b>	<b>Discrepancy and Income Report Viewed for Annual Certification</b>
January	November 1-10
February	December 1-10
March	January 1-10
April	February 1-10
May	March 1-10
June	April 1-10
July	May 1-10
August	June 1-10
September	July 1-10
October	August 1-10
November	September 1-10
December	October 1-10

**Moravian Houses' House Rules and Policies**

House rules are listed in the lease as an attachment to the lease. It is important, however, to recognize that house rules do not replace the lease. The Moravian Houses' house rules will not create a

disparate impact on tenants based on race, color, religion, family status, national origin, perceived sexual orientation, gender identity, or marital status. The Moravian Houses' house rules are:

- related to the safety, care, and cleanliness of the building or the safety and comfort of the tenants.
- reasonable house rules are within the bounds of common sense, and they are not excessive or extreme and most importantly, they are fair.
- the Moravian Houses are free to adopt reasonable rules that must be related to the safety and habitability of the building and comfort of the tenants.
- the Moravian Houses do make their own informed judgment as to the enforceability of house rules.
- as part of the Moravian Houses' house rules, Moravian Houses may establish rules specifying when tenants give up their right to occupancy because of their extended absence or abandonment of the unit. Under these rules, the Moravian Houses may initiate action to terminate tenancy in response to an extended absence or abandonment on the unit by the tenant or individual listed in the lease for that unit. Abandonment is distinguished from an absence from the unit by the tenant's failure to pay the rent due for the unit and failure to acknowledge or respond to notices from the owner regarding the overdue rent.
- the Moravian Houses may establish a house rule defining extended absence as the tenant being absent from the unit for longer than sixty (60) continuous days or for longer than 180 continuous days for medical reasons. The Moravian Houses may allow exceptions for extenuating circumstances.
- the Moravian Houses will give tenants written notice thirty (30) days prior to implementing new house rules.

### **Collection of Security Deposits**

The Moravian Houses will collect a security deposit in the amount of \$50.00 or the greater of one (1) month total tenant rent at the time of the initial lease execution. The Moravian Houses will comply with any state and local laws regarding investment of security deposits and distribution of any interests earned thereon. Security deposits provide the Moravian Houses with some financial protection when a tenant moves out of the unit and fails to fulfill his/her obligations under the lease. The applicant will be rejected if he/she does not have sufficient funds to pay the security deposit at move in date. The amount of the security deposit established at move in does not change when a tenant's rent changes. The tenant is expected to pay the security deposit from his/her own resources, and/or other public or private sources. The Moravian Houses will not collect the security deposit on an installment basis. The owner must comply with any applicable state and local laws governing the security deposit. Security deposits provide the Moravian Houses with some financial protection when a tenant moves out of the unit and fails to fulfill his/her obligations under the lease.

If a tenant transfers to a new unit, the Moravian Houses will not transfer the security deposit. A new Security Deposit equal to the new one (1) month rent will be collected and a refund of the original unit's deposit will be returned to the tenant.

The Moravian Houses will comply with any state and local laws regarding investment of security deposits and distribution of any interest earned thereon. If state law is silent, or if HUD regulations are more demanding, the Moravian Houses will comply with HUD's regulations. When state or local law is silent, the actual rate earned on the security deposits must be computed and credited to each tenant's portion of the security deposit. The Moravian Houses may place the security deposits into a segregate interest-bearing account after two (2) years tenancy, the balance of the account must equal the total amount collected from all tenants then in occupancy, plus any accrued interest. For section 202/8, the balance must equal the total amount collected from all tenants then in occupancy, plus any accrued interest and less allowable administrative cost adjustments. For Moravian House II, the allowable administrative costs may not exceed the accrued interest allocated to the family's balance for the year.

### **Refund of Security Deposits**

In order to receive a refund of the security deposit, a tenant must provide the Moravian Houses with a forwarding address or arrange to pick up the refund. Subject to state and local laws, the Moravian Houses may use the tenant's security deposit as reimbursement for any unpaid rent or other amounts the

tenant owes under the lease. Within thirty (30) days after the move-out date (or shorter time if required by state and/or local laws), the Moravian Houses will either refund the full security deposit amount plus accrued interest to a tenant that does not owe any amounts under the lease, or provide the tenant with an itemized list of any unpaid rent, damages to the unit, and an estimated cost for repair, along with a statement of the tenant's rights under state and local laws. If the amount the Moravian Houses claims is less than the security deposit plus accrued interest, the owner must refund the unused balance to the tenant. If the owner fails to provide the list to the tenant, the tenant is entitled to a full refund of the tenant's security deposit plus accrued interest. State laws may also have requirements regarding itemizing damages. When a specific federal housing program does not require an itemized list (the Moravian Houses will be aware of any state or local law that obligates an owner to provide the tenant with an itemized list of damages). If a disagreement arises concerning the reimbursement of the security deposit to the tenant, the tenant has the right to present objections to the Moravian Houses in an informal meeting. The Moravian Houses will keep a record of any disagreements and meetings in the tenant file for a period of three (3) years for inspection by the HUD Field Office or Contract Administrator. Any reimbursement from HUD received by the Moravian Houses will be applied first toward any unpaid tenant rent due under the lease. Additionally, no reimbursement may be claimed for unpaid rent for the period after termination of the tenancy.

### **Pet Rules and Deposits**

The pet rules may require tenants to pay a refundable pet deposit but apply only to those tenants who own or keep cats or dogs in their units. This deposit is in addition to any additional financial obligation generally imposed on tenants of the property. The maximum amount of the pet deposit that may be charged by the Moravian Houses on a per unit basis \$300. The initial deposit does not exceed \$50 at the time the pet is brought onto the premises. The pet rules must provide for gradual accumulation of the remaining required deposit, not to exceed \$10 per month until the deposit is reached; however, a tenant will be allowed to pay the entire amount or increments that are greater than \$10 if he or she chooses to do so. Pet deposits only apply to properties established for the elderly and persons with disabilities. **Assistance animals** that assist persons with disabilities are auxiliary aids and are exempt from the pet policy and from the pet deposit. No pet deposit is required for assistive animals. Appropriate rules of conduct will be provided for assistive animals. Appropriate rules of conduct will be provided for assistive animals. If any accommodations for assistive animals causes a financial and/or administrative burden on the Moravian Houses or becomes a danger to the safety of the other residents or staff, the assistive animal will be denied.

The Moravian Houses may use a pet deposit only to pay reasonable expenses directly attributable to the presence of the pet on the property. Such expenses would include, but not be limited to, the cost of repairs and replacement to the unit, fumigation of the unit, and the cost of animal care facilities. The Moravian Houses must return the unused portion of a pet deposit to the tenant within a reasonable time after the tenant moves from the property or no longer owns or keeps a household pet in the unit.

### **Unit Inspections**

The move-in inspection is an opportunity to familiarize the tenant with the project and the unit, as well as to document its' current condition. By performing move-in inspections, the Moravian Houses and tenants are assured that the unit is in livable condition and is free of damages. If cleaning or repair is required, the Moravian Houses will specify on the inspection form the date by which the work will be completed. The date must be no more than thirty (30) days after the effective date of the lease. A move-in inspection gives the Moravian Houses an opportunity to explain to the new residents the tenants' responsibility for damages caused to the unit by family members and/or visitors, discuss the house rules, and familiarize tenants with the operation of appliances and equipment in the unit. Both Moravian House and the tenant must sign and date the inspection form. The tenant has five (5) days to report any additional deficiencies to the Moravian Houses to be noted on the move-in inspection form. The move-in inspection form must be made part of the lease, as an attachment to the lease.

Upon the unit being vacated by the tenant, the Moravian Houses perform a move-out inspection to ensure there are no damages to the unit. The Moravian Houses will list the damages on the move-out form and compare it with the move-in form to determine if the damage is reasonable wear and tear or excessive

damage caused by the tenant's abuse or negligence. In this event, the tenant is obligated to reimburse the Moravian Houses for the damages within thirty (30) days after the tenant receives a bill from the Moravian Houses. The Moravian Houses may deduct accrued, unpaid damage charges from the tenant's security deposit at the time of move-out, if such a deduction is permitted under state and local laws. The Moravian Houses' bill is limited to actual and reasonable costs incurred by the owner or repairing the damages. The tenant will be given prior notice of the move-out inspection and is encouraged to accompany the Moravian House staff if the tenant chooses. The Moravian Houses may do the inspection alone. HUD does not provide move-out inspection criteria. It is at the Moravian Houses' discretion to develop criteria to distinguish between wear and tear and damage. If the Moravian Houses determine that the unit is damaged as a result of tenant abuse or neglect, he/she may use the security deposit to cover the repair costs. HUD or the Contract Administrator has approved the charges that the Moravian Houses may require a tenant to pay.

The Moravian House management will perform unit inspections on at least an annual basis to determine whether the appliances and equipment in the unit are functioning properly and to assess whether a component needs to be repaired or replaced. This is also an opportunity to determine any damage to the unit caused by the tenant's abuse or negligence and, if so, make the necessary repairs and bill the tenant for the cost of the repairs. HUD, or its' authorized contractor(s), has the right to inspect the units and the entire property to ensure that the property is being physically well maintained. These inspections assure HUD that owners are fulfilling their obligations under the regulatory agreements and/or subsidy contracts and those tenants are provided with decent, safe, and sanitary housing. The Moravian Houses, as HUD-subsidized multifamily properties are required to complete move-in and move-out inspections. The Moravian Houses document these inspections.

#### **Checks Returned for Insufficient Funds for Moravian House I only.**

The Moravian Houses may impose a fee when a check is not honored for payment for the second time. The Moravian Houses may bill a tenant only for the amount the bank charges for processing the returned check. Field Offices and Contract Administrators may authorize an owner to impose additional charges, if such charges are consistent with local management practices and are permitted by state and local laws.

#### **Charges for Late Payment of Rent**

Moravian House I may assess a charge if the tenant has been given at least five (5) calendar days as a grace period to pay the rent. The rent must be received by the fifth day. If the Tenant does not pay the full amount of the rent by the end of the 5th day of the month, Moravian House I may collect a fee of \$5 on the 6th day of the month. Additionally, Moravian House I may charge a fee of \$1.00 per day for each additional day the rent remains unpaid for the month. Field Offices or Contract Administrators may approve a higher initial late fee:

- if it is permitted under state and local laws
- it is consistent with local management practices

The total late charge assessed for the month does not exceed \$30.00. Moravian House I may deduct accrued, unpaid late charges from the tenant's security deposit at the time of move-out, if such a deduction is permitted under state and local laws. Moravian House I may not evict a tenant for failure to pay late charges.

#### **Special Management Services**

The Moravian Houses may charge a tenant for special services such as responding to lock-out calls and providing extra keys. If a tenant is locked out after the office has closed, weekends and/or holidays, there will be a \$50.00 charge payable to the office on the next open business day if a resident manager, management or maintenance personnel is contacted to open the apartment door. At the time of move-out, the Moravian Houses may charge the tenant a fee for each key or electric door entrance card or fob not returned. The Moravian Houses may not charge a tenant for bad behavior, such as foul language, noise, or failure to supervise children; however, if such behavior is serious or prolonged, it may be grounds for termination of tenancy.

#### **Court Filing, Attorney and Sheriff Fees**



The Moravian Houses may accept payment of these fees from tenants who wish to avoid or settle an eviction suit provided:

- it is permitted under state and local laws
- the fees appear reasonable and do not exceed the actual costs incurred

The Moravian Houses may require any tenant to pay the security deposit or the last month's rent in a guaranteed form (e.g., money order, cashier's check, bank check). In all other instances, the Moravian Houses must accept a tenant's personal check. If the tenant bounces a rent check, thereafter, the Moravian Houses may refuse to accept the tenant's personal check. The Moravian Houses will require the tenant to pay rent in a guaranteed form (e.g., money order, cashier's check, bank check). Moravian Houses must be consistent in their treatment of all tenants.

### **Eligibility of Students for Section 8 Assisted Housing Supplementary Notice of Change**

Section 8 assistance shall not be provided to any individual who is enrolled as either a part-time or full-time student at an institution of higher education for the purpose of obtaining a degree, certificate, or other program leading to a recognized educational credential unless one or more of the following exceptions exist:

- a. is twenty-four (24) or older.
- b. is married.
- c. is a veteran of the United States Military.
- d. has a dependent child.
- e. is a person with disabilities, as such term is defined in 3(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)) and was receiving section 8 assistance as of November 30, 2005;
- f. is living with his or her parents who are receiving Section 8 assistance;
- g. is individually eligible to receive Section 8 assistance and has parents (the parents individually or jointly) who are income eligible to receive Section 8 assistance.

For a student to be eligible independent of his or her parents, where the income of the parents is not relevant, the student must demonstrate the absence of, or his or her independence from parents. Management will use the following in determining a student's independence from parents: The student must meet all (1-4 below) of the following criteria to be eligible for Section 8 assistance. The student must:

1. be of legal contract age under state law.
2. have established a household separate from parents or legal guardians for at least one year prior to application for occupancy OR meet the U.S. Department of Education's definition of an independent student. In the Federal Register (Vol. 1, No. 183) published September 21, 2016, HUD reclassified the definition of independent student to include vulnerable youth and to align with the U.S. Department of Education's definition as follows:
  - a. the individual is 24 years of age or older by December 31 of the award year.
  - b. the individual is an orphan, in foster care, or a ward of the court or was an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older.
  - c. the individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's State of legal residence.
  - d. the individual is a veteran of the Armed Forces of the United States (as defined in subsection (1) of HEA) or is currently serving on active duty in the Armed Forces for other than training purposes.
  - e. the individual is a graduate or professional student.
  - f. the individual is a married individual.
  - g. the individual has legal dependents other than a spouse.
  - h. the individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth (as such terms are defined in section 725 of the McKinney-Vento Homeless Assistance Act) (42 U.S.C. 11431 et sq.), or as unaccompanied, at risk of

homelessness, and self-supporting by selected agencies or personal as noted in Federal Register / Vol. 81, No. 183 / September 21, 2016.

- i. The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.
3. Not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations; and
4. Obtain a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support. This certification is required even if no assistance will be provided.

In addition to move-in, management will also determine a student's eligibility for Section 8 assistance at annual recertification, initial certification and at the time of an interim recertification if one of the family composition changes reported is that a household member is enrolled as a student.

Any financial assistance a student receives (1) under the Higher Education Act of 1965, (2) from private sources, or (3) from an institution of higher education that is in excess of amounts received for tuition and other fees is included in annual income, except if the student is the Head, Co-Head of House and is over the age of 23 with dependent children. If an ineligible student is a member of an existing household receiving Section 8 assistance, the assistance for the household will not be prorated but will be terminated in accordance with the guidance in paragraph 8-6A.

- **Eligibility of Students for Section 8 Assistance**

Section 8 Assistance shall not be provided to any individual who:

1. Is enrolled as either a part-time or full-time student at an institution of higher education for the purpose of obtaining a degree, certificate, or other program leading to a recognized educational credential; \*and\*
2. Is under the age of 24; \*and\*
3. Is not married; \*and\*
4. Is not a veteran of the United States Military; \*and\*
5. Does not have a dependent child; \*and\*
6. Is not a person with disabilities, as such term is defined in 3(b)(3)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)(E)) and was not receiving section 8 assistance as of November 30, 2005. and\*
7. Is not living with his or her parents who are receiving Section 8 assistance; and\*
8. Is not individually eligible to receive Section 8 assistance \*or\* has parents (the parents individually or jointly) who are not income eligible to receive Section 8 assistance.

For a student to be eligible independent of his or her parents (where the income of the parents is not relevant), the student must demonstrate the absence of, or his or her independence from, parents. While Management may use additional criteria for determining the student's independence from parents, Management must use, and the student must meet, at a minimum **all** of the following criteria to be eligible for Section 8 assistance. The student must:

1. Be of legal contract age under state law.
2. Have established a household separate from parents or legal guardians for at least one year prior to application for occupancy or meet the U.S. Department of Education's definition of an independent student. (See the Glossary for definition of Independent Student);
3. Not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations; and
4. Obtain a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support. This certification is required even if no assistance will be provided.

- **Recertification of Students Already Receiving Section 8 Assistance:**

The Moravian Houses will recertify those Section 8 participants who may be affected by this new law as soon as it is practicable. The latest time, however, that the eligibility and income

requirements can be implemented is at the time of annual recertification. The Moravian Houses will ensure at each annual recertification, a student remains eligible to receive Section 8 assistance under the restrictions of this new law.

The Moravian Houses will have an obligation to make sure that Section 8 assisted units are provided to those truly in need of such assistance. While the new law and HUD's recently issued rule focus on the income eligibility of students, all student applicants for Section 8 assistance must also meet all other HUD program requirements that determine eligibility for the Section 8 assistance.

- **Screening and Verification of Applicants for Assistance:**

As it relates to the verification of a parent(s) income, the Moravian Houses may accept from a parent(s) a declaration and certification of income which includes a penalty of perjury. The Moravian Houses retain the right to request and review supporting documentation at any time they determine the declaration, certification, and eligibility of the parent(s) is in question. Supporting documentation includes but is not limited to:

- Internal Revenue Service (IRS) tax returns
- Consecutive and original pay stubs
- Bank statements
- Pension benefit statements
- Temporary Assistance to Needy Families (TANF) award letter
- Social Security Administration (SSA) award letter
- Other official and authentic documents from a Federal, State, or local agency

As is the case with all applicants for Section 8 assistance, the Moravian Houses administering Section 8 programs must adequately screen and verify an applicant's source(s) of income. Failure of the Moravian Houses' to screen applicants and verify income in accordance with applicable program requirements can result in sanctions being imposed.

- **Denial and Termination of Assistance:**

An applicant who is a student and who does not meet the income eligibility requirements or who has parents who, individually or jointly, do not meet the income eligibility requirements for Section 8 assistance are not eligible for Section 8 assistance and will be prohibited from participating in the Section 8 program.

Section 8 assistance shall not be provided to any individual who:

- a. Is enrolled as either a part-time or full-time student at an institution of higher education for the purpose of obtaining a degree, certificate, or other program leading to a recognized educational credential, "and"
- b. Is under the age of 24, "and"
- c. Is not married, "and"
- d. Is not a veteran of the United States Military, "and"
- e. Does not have a dependent child, "and"
- f. Is not a person with disabilities, as such term is defined in 3(b)(3)
- g. (E) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)(E) and was not receiving section 8 assistance as of November 30, 2005. "and"
- h. Is not living with his or her parents who are receiving Section 8 assistance "or" has parents (the parents individually or jointly) who are not income eligible to received Section 8 assistance. The student must:
  - i. Be of legal contract age under state law
  - ii. Have established a household separate from parents or legal guardians for at least one year prior to application for occupancy, or meet the U.S. Department of Educations' definition of an independent student
  - iii. Not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations, and

- iv. Obtain a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support. This certification is required even if no assistance will be provided.

- **Termination of Assistance:**

A student is 24 years of age or older by December 31 of the award year; the individual is an orphan, in foster care, or a ward of the court or was an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older; the individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's State of legal residence; the individual is a veteran of the Armed Forces of the United States (as defined in subsection (c)(1) of HEA) or is currently serving on active duty in the Armed Forces for other than training purposes; the individual is a graduate or professional student; the individual is a married individual; the individual has legal dependents other than a spouse; the individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth; the individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances, if a recertification is determined to be ineligible, will have his/her assistance terminated. The Moravian Houses, under the Office of Housing's Section 8 program will not evict or require an ineligible student to move from a unit if the student is in compliance with the terms of the lease. Although the student is allowed to remain in the unit, the student will no longer be eligible to receive Section 8 assistance. The Section 8 assistance will not be prorated; therefore, if the ineligible student is residing in a household other than with the student's parents, the assistance will be terminated for the entire household. If the ineligible student moves from the unit, the remaining members of the household may again be eligible for Section 8 assistance, if available. If the household composition no longer qualifies the household may with the approval of the Moravian Houses, move in another eligible person as a member of the household and remain in their same unit.

### **Violence Against Women Act and Justice Department Reauthorization Act of 2022**

*The Violence Against Women Act (VAWA) was reauthorized and amended on March 15, 2022. (See Pub. L. 117-103, Division W, 136 Stat. 49 (VAWA 2022)).* The Violence Against Women Act (VAWA) provides housing protections to victims of domestic violence, dating violence, sexual assault or stalking (VAWA violence/abuse). These protections prohibit the Moravian Houses from evicting or terminating assistance from individuals being assisted under a project-based Section 8 program if the asserted grounds for such action is an instance of domestic violence, dating violence, sexual assault or stalking.

The Violence Against Women Act (VAWA) provides:

- that the Moravian Houses may request a tenant to certify that he/she is a victim of domestic violence, dating violence, sexual assault or stalking and that the incidence(s) of threatened or actual abuse are bona fide in determining whether the protections afforded under the VAWA are applicable. Actual and imminent threat refers to a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.
- the VAWA protections apply to families applying for or receiving rental assistance payments under the following:
  - *Project-based Section 8 and Section 8 Moderate*
  - *Public Housing;*
  - *Housing Choice Voucher;*
  - *Rehabilitation Single Room Occupancy;*

- *Section 202 Supportive Housing for the Elderly, including Section 202 Direct Loan;*
- *Section 811 Supportive Housing for Persons with Disabilities;*
- *Housing Opportunities for Persons With AIDS (HOPWA);*
- *HOME Investment Partnerships (HOME);*
- *Emergency Solutions Grants and Continuum of Care program;*
- *Multifamily rental housing under Section 221(d)(3) of the National Housing Act with a below-market interest rate (BMIR) pursuant to Section 221(d)(5);*
- *Multifamily rental housing under Section 236 of the National Housing Act; and*
- *Housing Trust Fund program.*
- The law protects victims of domestic violence, dating violence, sexual assault or stalking, as well as their immediate family members generally, from being evicted or being denied housing assistance if an incident of violence that is reported and confirmed.
- that an incident of actual or threatened domestic violence, dating violence, sexual assault or stalking does not qualify as a serious or repeated violation of the lease nor does it constitute good cause for terminating the assistance, tenancy, or occupancy rights of the victim.
- criminal activity directly relating to domestic violence, dating violence, sexual assault or stalking is not grounds for terminating the victim's tenancy. The Moravian Houses may bifurcate a lease in order to evict, remove or terminate the assistance to the offender while allowing the victim, who is a tenant or lawful occupant, to remain in the unit.

The following definitions are provided as assistance in understanding and implementing the VAWA protections. The definitions for domestic violence, dating violence, stalking, assault sexual and immediate family member have been incorporated into the United States Housing Act:

- **Domestic Violence** *The term 'domestic violence' includes felony or misdemeanor crimes committed by a current or former spouse or intimate partner of the victim under the family or domestic violence laws of the jurisdiction receiving grant funding and, in the case of victim services, includes the use or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior, by a person who:*
  - by a person with whom the victim shares a child in common
  - by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner
  - by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies or
  - by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.
  - The term "spouse or intimate partner of the victim" includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.
- **Dating Violence** means violence committed by a person:
  - who is or has been in a social relationship of a romantic or intimate nature with the victim; and
  - where the existence of such a relationship shall be determined based on a consideration of the following factors:
    - 1) the length of the relationship;
    - 2) the type of relationship; and
    - 3) the frequency of interaction between the persons involved in the relationship
- **Economic Abuse** *The term 'economic abuse', in the context of domestic violence, dating violence, and abuse in later life, means behavior that is coercive, deceptive, or unreasonably*



*controls or restrains a person's ability to acquire, use, or maintain economic resources to which they are entitled, including using coercion, fraud, or manipulation to:*

- a. *restrict a person's access to money, assets, credit, or financial information;*
  - b. *unfairly use a person's personal economic resources, including money, assets, and credit, for one's own advantage; or*
  - c. *exert undue influence over a person's financial and economic behavior or decisions, including forcing default on joint or other financial obligations, exploiting powers of attorney, guardianship, or conservatorship, or failing or neglecting to act in the best interests of a person to whom one has a fiduciary duty.*
- **Sexual Assault** means any nonconsensual sexual act proscribed by Federal, Tribal, or State law, including when the victim lacks capacity to consent.
  - **Stalking** means engaging in a course of conduct directed at a specific person that would cause a reasonable person to:
    - 1) fear for the person's individual safety or the safety of others; or
    - 2) suffer substantial emotional distress.
  - **Technological Abuse** means an act or pattern of behavior that occurs within domestic violence, sexual assault, dating violence or stalking and is intended to harm, threaten, intimidate, control, stalk, harass, impersonate, exploit, extort, or monitor, except as otherwise permitted by law, another person, that occurs using any form of technology, including but not limited to: internet enabled devices, online spaces and platforms, computers, mobile devices, cameras and imaging programs, apps, location tracking devices, or communication technologies, or any other emerging technologies.
  - **Immediate Family Member** means, with respect to a person: a spouse, parent, brother, sister, or child of that individual, or a person to whom that individual stands in the place of a parent or guardian (for example, the affiliated individual is a person in the care, custody, or control of that individual); any individual, tenant, or lawful occupant living in the household of that individual.
  - **Bifurcate** means to divide a lease as a matter of law, subject to the permissibility of such process under the requirements of the applicable HUD-covered program and State or local law, such that certain tenants or unlawful occupants can be evicted or removed and the tenants or lawful occupants can continue to reside in the unit under the same lease requirements or as may be revised depending upon the eligibility for continued occupancy of the remaining tenants and lawful occupants.

#### **Protections for Victims of Domestic Violence, Dating Violence or Stalking:**

The law offers the following protections against eviction or denial of housing based on domestic violence, dating violence, sexual assault or stalking:

- An applicant's or program participant's status as a victim of domestic violence, dating violence, sexual assault or stalking is not a basis for denial of rental assistance or for denial of admission, if the applicant otherwise qualifies for assistance or admission.
- An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking will be construed as serious or repeated violations of the lease or other "good cause" for terminating the assistance, tenancy, or occupancy rights of a victim of abuse.
- Criminal activity directly related to domestic violence, dating violence, sexual assault or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of assistance, tenancy, or occupancy rights of the victim of the criminal acts.
- Assistance may be terminated, or a lease "bifurcated" in order to remove an offending household member from the home. Whether or not the individual is a signatory to the lease and lawful tenant, if he/she engages in a criminal act of physical violence against family members or others, he/she stands to be evicted, removed, or have his/her occupancy rights terminated. This action is taken while allowing the victim who is a tenant or a lawful occupant to remain.

- The provisions protecting victims of domestic violence, dating violence, sexual assault or stalking engaged in by a member of the household, may not be construed to limit the owners and management agents when notified from honoring various court orders issued to either protect the victim or address the distribution of property in case a family breaks up
- The authority to evict or terminate assistance is not limited with respect to a victim that commits unrelated criminal activity. Furthermore, if an owner/management agent can show an actual and imminent threat to other tenants or those employed at or providing service to the property if an unlawful tenant's residency is not terminated, then evicting a victim is an option, the VAWA notwithstanding. Ultimately, the Moravian Houses may not subject victims to more demanding standards of that of other tenants.
- The VAWA protections shall not supersede any provision of any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault or stalking. The laws offering greater protection are applied in instances of domestic violence, dating violence or stalking.

**Prohibition on Retaliation:**

- *VAWA 2022 adds a new section to VAWA, which prohibits retaliation in covered housing. Under the new section, it is illegal for a public housing agency (PHA) or owner or manager of covered housing to discriminate against any person because that person has opposed any act or practice made unlawful by VAWA's housing provisions, or because that person testified, assisted, or participated in any related matter.*
- *The new section also provides that it is illegal for a PHA or owner or manager of covered housing to coerce, intimidate, threaten, interfere with, or retaliate against any person who exercises or assists or encourages a person to exercise any rights or protections under VAWA's housing provisions.*

**Right to Report Crime and Emergencies:**

- *VAWA 2022 adds a new section to VAWA, which protects the right to report crime and emergencies from one's home. The new section provides that landlords, homeowners, tenants, residents, occupants, and guests of, and applicants for, housing shall have the right to seek law enforcement or emergency assistance on their own behalf or on behalf of another person in need of assistance. This section also prohibits penalizing or threatening to penalize persons because they request assistance or report criminal activity of which they are a victim or otherwise not at fault under the laws or policies adopted or enforced by "covered governmental entities."*
- *This provision further requires that covered governmental entities report on their laws or policies, or their subgrantees' laws or policies, that penalize protected persons based on requests for law enforcement or emergency assistance or based on criminal activity that occurred at a property. These entities must also certify compliance with these protections or explain how they will come into compliance or ensure compliance among subgrantees within 180 days of submitting the report to HUD.*

**Rights and Responsibilities of the Moravian Houses and Tenants:**

- The Moravian Houses will update their Tenant Section Plans and/or House Rules as applicable to incorporate the VAWA policies and protections which will ensure uniformity in spreading awareness of the VAWA and avoid improper evictions.
- The Moravian Houses will establish policies that support or assist victims of domestic violence, dating violence, sexual assault or stalking and that will protect victims, as well as members of their family, from losing their HUD-assisted housing as a consequence of domestic violence, dating violence, sexual assault or stalking.

- The Moravian Houses will require tenants to complete the HUD-approved Lease Addendum, Form HUD-91067. The certification form will be made available to all eligible families at the time of admission or, in the event of a termination or start of an eviction for cause proceeding, the certification may be enclosed with the appropriate notice, directing the family to complete, sign and return the form within fourteen (14) business days.
- Victims of domestic violence, dating violence, sexual assault, and stalking cannot be discriminated against on the basis of any protected class, and Section 8 programs must also be operated consistent with HUD's Equal Access Rule, which requires that HUD-assisted and HUD-insured housing must be available to all otherwise eligible individuals and families without regard to actual or perceived sexual orientation, gender identity or marital status.

**Certification and Confidentiality:**

The Moravian Houses' responding to an incident of actual or threatened domestic violence, dating violence, sexual assault or stalking that could potentially have an impact on a tenant's participation in the housing program may request in writing that an individual complete, sign and submit, within fourteen (14) business days of the request, the HUD-approved certification form (HUD-5382). The Moravian Houses may extend this time period at his/her discretion.

Alternatively, in lieu of the certification form or in addition to it, the Moravian Houses may accept:

- A federal, state, tribal, territorial, or local police record or court record
- Documentation signed and attested to by a professional
  - Employee
  - Agent
  - Volunteer of a victim service provider
  - An attorney
  - Medical personnel, etc.

From whom the victim has sought assistance in addressing domestic violence, dating violence, sexual assault or stalking or the effects of the abuse. The signatory attests under penalty of perjury to his/her belief that the incident in question represents bona fide abuse, and the victim of domestic violence, dating violence, sexual assault or stalking has signed or attested to the documentation.

- The Moravian Houses are not required to demand that an individual produce official documentation or physical proof of an individual's status as a victim of domestic violence, dating violence, sexual assault or stalking in order to receive the protections of the VAWA. The Moravian Houses, at their discretion, may aid an individual based solely upon the individual's statement or other corroborating evidence. The Moravian Houses are encouraged to carefully evaluate abuse claims as to avoid conducting an eviction based on false or unsubstantiated accusations.
- The Moravian Houses should be mindful that the delivery of the certification form to the tenant via mail may place the victim at risk, e.g., the abuser may monitor the mail. Therefore, in order to mitigate risks, the Moravian Houses are encouraged to work with the tenant in making acceptable delivery arrangements, such as inviting them into the office to pick up the certification form or making other discreet arrangements.
- The identity of the victim and all information provided to the Moravian Houses relating to the incident(s) of domestic violence must be retained in confidence by the Moravian Houses and must neither be entered into any shared database nor provided to a related entity, except to the extent that the disclosure is:
  - requested or consented to by the individual in writing
  - required for use in an eviction proceeding or termination of assistance
  - otherwise required by applicable law. The HUD-approved certification form provides notice to the tenant of the confidentiality of the form and the limits thereof

- The Moravian Houses must retain all documentation relating to an individual's domestic violence, dating violence, sexual assault or stalking in a separate file that is kept in a separate secure location from their tenant files.

### **Lease**

The Moravian Houses are required to attach the HUD-approved Lease Addendum, Form HUD-5382 which includes the VAWA provisions, to each existing or new lease.

- **New Admissions:**
  - The Moravian Houses must provide the tenant with the applicable HUD model lease along with the Lease Addendum.
- **Existing Tenants:**
  - The Moravian Houses expeditiously begin to notify existing tenants of the modification to the lease. Notification is accomplished by forwarding to each tenant a copy of the addendum that revises the existing lease agreement. The Moravian Houses must also include a letter clearly stating that that tenant can either accept the modification or move but that a response is due within thirty (30) days.
- **Lease Bifurcation:**
  - Should it be determined that physical abuse caused by a tenant is clear and present, the law provides the Moravian Houses the authority to bifurcate a lease, i.e., remove, evict, or terminate housing assistance to that individual, while allowing the victim, who lawfully occupies the home, to maintain tenancy. The Moravian Houses must keep in mind that the eviction of or the termination action against the individual must be in accordance with the procedures prescribed by federal, state, and local law.
  - In the event that one household member is removed from the unit because of engaging in acts of domestic violence, dating violence, sexual assault or stalking against another household member, an interim recertification should be processed reflecting the change in household composition.

### **Tenants' Rights and Responsibilities**

Tenants and family members of tenants who are victims of domestic violence, dating violence or stalking are protected by the VAWA from being evicted or from housing assistance being terminated because of the acts of violence against them.

If requested, tenants are required to submit to the Moravian Houses a completed Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking, Form HUD-5382, or other supporting documentation as described above, within fourteen (14) business days of the Moravian Houses' request, or any extension of that date provided by the Moravian Houses. If the certification or other supporting documentation is not provided within the specified timeframe, the landlord may begin eviction proceedings.

If the tenant has sought assistance in addressing domestic violence, dating violence or stalking from a federal, state, tribal, territorial jurisdiction, local police or court, the tenant may submit written proof of this outreach.

It is possible for someone lawfully occupying the unit, who is also a victim, to be evicted or removed from the home. If the victim commits separate criminal activity, a landlord may evict them for engaging in crime. Furthermore, if a victim poses "an actual and imminent threat to other tenants or those employed at or providing service to the property," they could be evicted, despite the VAWA. Of paramount consideration within the VAWA is that the landlord may not hold the victim to a more demanding standard than other tenants.

### **Emergency Transfers**

The Moravian Houses are concerned about the safety of its tenants, and such concern extends to tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act (VAWA), the Moravian Houses allow tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request

an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity or sexual orientation. The ability of the Moravian Houses to honor such requests for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether the Moravian Houses has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the Federal agency that oversees that Moravian Houses I & II are in compliance with VAWA.

### **Eligibility for Emergency Transfers**

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if:

- The tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit
- If the tenant is a victim of sexual assault
- The tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

### **Emergency Transfer Request Documentation**

To request an emergency transfer, the tenant shall notify the Moravian Houses' management office and submit a written request for a transfer to another eligible unit on Moravian Houses' campus. The Moravian Houses will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

- A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under the Moravian Houses' programs; or
- A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

### **Confidentiality**

The Moravian Houses will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer, unless the tenant gives the Moravian Houses written permission to release the information on a time limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice Of Occupancy Rights under the Violence Against Women Act For All Tenants for more information about the Moravian Houses' responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

### **Emergency Transfer Timing and Availability**

The Moravian Houses cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. The Moravian Houses will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability as safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. The Moravian Houses may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If the Moravian Houses have no safe and available units for which a tenant who needs an emergency is eligible, the Moravian Houses will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, the Moravian Houses will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault or stalking that are attached to this plan.

### **Safety and Security of Tenants**

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 1-800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.

Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

## **Housing Opportunities Through Modernization Act (HOTMA)**

The following section has been added to the tenant selection plan to incorporate the changes required by HOTMA effective January 1, 2024.

### **De Minimis Errors in Income Determinations**

When family's income deviates from the correct income determination by no more than \$30 per month or \$360 per year in adjusted income, the owner will correct the error retroactive to the effective date of the action the error was made regardless of dollar amount associated with error. The Owner will credit a family if overcharged tenant rent including de minimis errors. Families will not be required to pay back for O/A miscalculations when family was undercharged rent.

### **Self-Certification of Net Family Assets equal to or less than \$50,000.**

The Owner has chosen **NOT** to accept self-certification of net family assets equal to or less than \$50,000 (adjusted annually for inflation) at initial and at reexamination. .The O/A will verify net family assets every year.

### **Hardship Policy (Policy for Determination of the Family's Inability to Pay Rent)**

Effective January 1, 2024, the threshold to deduct health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses has been increased to an excess of 10 percent of annual income. Concurrently with this increase, the regulations provide financial hardship exemptions for unreimbursed health and medical care expenses, and for reasonable attendant care and auxiliary apparatus expenses for eligible families.



A family will benefit from this hardship exemption only if the family has eligible expenses that can be deducted in excess of 5 percent of annual income.

In order to claim **unreimbursed health and medical care expenses**, the family must have a head, co-head, or spouse that is elderly or a person with a disability.

In order to claim **unreimbursed reasonable attendant care and auxiliary apparatus expenses**, the family must include a person with a disability, and the expenses must enable any member of the family (including the member who is a person with a disability) to be employed.

O/A has established policies on what constitutes a hardship (i.e., when a family is unable to pay rent, triggering eligibility for a hardship exemption) when the family is otherwise not eligible for an Interim Certification.

Hardships are available for qualified families for the following:

1. **Hardship Exemptions for Health/Medical Care Expenses & Reasonable Attendant Care & Auxiliary Apparatus Expenses (General)**
2. **Hardship Exemptions for Health/Medical Care Expenses & Reasonable Attendant Care & Auxiliary Apparatus Expenses (Phased In)**
3. **Hardship Exemption to Continue Child Care Expense Hardship**

#### **What Constitutes a Hardship (Hardship Exemption Criteria)**

- The rent, utility payment, and applicable expenses (childcare expenses or health and medical expenses) is more than **45 percent (example)** of the family's adjusted income;
- The family has experienced unanticipated expenses, such as large medical bills, that have affected their ability to pay their rent;
- The family is awaiting an eligibility determination for a federal, state, or local assistance program, such as a determination for unemployment compensation or disability benefits;
- The family's income decreased because of a loss of employment, death of a family member, or due to a natural or federal/state declared disaster

#### **Family Notification of Hardship Exemption**

PHAs/MFH Owners must promptly notify families in writing of the change in the determination of adjusted income and the family's rent resulting from the application of the hardship exemption. The written notice will also inform the family of the dates that the hardship exemption will begin and expire and the requirement for the family to report to the PHA/MFH Owner if the circumstances that made the family eligible for relief are no longer applicable. The notice must also state that the family's adjusted income and tenant rent will be recalculated upon expiration of the hardship exemption. PHAs/MFH Owners must provide families 30 days' notice of any increase in rent.

#### **Family Notification of Hardship Exemption Denial**

PHAs/MFH Owners must promptly notify families in writing if they are denied an initial hardship exemption. The notification must specifically state the reason for the denial.

#### **Family Notification of Hardship Exemption Termination**

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

#### **Types of Relief**

Families may be eligible for relief under one of two categories; phased-in relief or general relief, as defined below.

#### **General Relief**

This section describes when a family is eligible for general relief related to the health and medical care expense and reasonable attendant care and auxiliary apparatus expense deduction.

- To receive general relief, a family must demonstrate that the family's unreimbursed health and medical care expenses or unreimbursed reasonable attendant care and auxiliary apparatus expenses increased, or the family's financial hardship is a result of a change in circumstances that would not otherwise trigger an interim reexamination. Relief is available regardless of whether the family previously received an unreimbursed health and medical care expense deduction, unreimbursed reasonable attendant care and auxiliary apparatus expense deduction, are currently receiving phased-in hardship relief, or were previously eligible for either this general relief or the phased-in relief.
- If a PHA/MFH Owner determines that a family is eligible for general relief, the family will receive a deduction for the sum of the eligible expenses that exceed 5 percent of annual income. The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable or after 90 days, whichever comes earlier.
- O/A will attempt to obtain third-party verification before and prior to end of the 90-day period an extension thereof.
- There will be no extensions to the General Hardship Relief.

### **Phased In Relief**

This section describes the phased-in relief for families affected by the statutory increase in the threshold to receive unreimbursed health and medical care and reasonable attendant care and auxiliary apparatus expense deductions from annual income.

**New Admissions:** All new admission family's will have the expense deduction calculated using the 10-percent threshold unless request for general relief is approved by PHA/MFH Owner. See the General Relief section for more information.

**Current Families:** All families who received a deduction for unreimbursed health and medical care and/or reasonable attendant care or auxiliary apparatus expenses based on their most recent income review prior to January 1, 2024, will begin receiving the 24-month phased-in relief at their next annual or interim reexamination, whichever occurs first on or after the date the MFH Owner complies with HOTMA.

Families who receive phased-in relief will have eligible expenses deducted as follows:

1st twelve months – in excess of 5% of annual income.

2nd twelve months – in excess of 7.5% of annual income.

After 24 months – in excess of 10% threshold will phase in and remain in effect unless the family qualifies for General Relief.

Once a family chooses to obtain general relief, a family may no longer receive the phased-in relief.

### **Hardship Exemption to Continue Child-Care Expenses Deduction**

This section describes when a family is eligible for general relief related to the health and medical care expense and reasonable attendant care and auxiliary apparatus expense deduction.

- A family whose eligibility for the child-care expense deduction is ending may receive a hardship exemption to continue receiving a child-care expense deduction in certain circumstances when the family no longer has a member that is working, looking for work, or seeking to further their education, and the deduction is necessary because the family is unable to pay their rent.
- O/A will recalculate the family's adjusted income and continue the child-care deduction **if** the family demonstrates to the O/A that the family is unable to pay their rent (see Policy for Determination of the Family's Inability to Pay Rent) because of loss of the child-care expense deduction and the child-care

expense is still necessary even though the family member is no longer working, looking for work, or furthering their education.

- The hardship exemption and the resulting alternative adjusted income calculation will remain in place for a period of up to 90 days.
- O/A will attempt to obtain third-party verification before and prior to end of the 90-day period an extension thereof.
- There will be no extensions to the General Hardship Relief.

### **Interim Reexaminations for Decreases in Adjusted Income, Increases in Adjusted Income and Change in Household Composition**

#### **Reporting Changes, Processing Time, and Rent Adjustments**

HUD requires any changes to the number of family members occupying the unit or any significant changes in adjusted income (totaling 10% or more of the family's annual adjusted income) by any family member occupying the unit, to be reported to the management office within 10 days of the change. These changes may result in a rent adjustment. Any substantial increase in health and medical expenses paid by the tenant (such as an operation, hospital stay, etc.), could result in a rent adjustment.

The Owner will conduct the interim reexamination within 30 days after the owner is made aware of the changes in income.

If a resident reports a change in family income or composition within 10 days of the change, the owner agent will provide the family with a 30-day notice of rent increase. The rent increase will be effective on the first day of the month beginning after the end of the 30-day notice. Rent decreases will be effective on the first day of the month after the date of the actual change, leading to the interim reexamination of family income.

If a resident does not report a change in family income or composition within in 10 days of the change, the owner will implement any resulting rent increases retroactively to the first of the month following the date of the change, leading to the interim reexamination of family income. Any resulting rent decrease will be implemented no later than the first rent period following completion of the reexamination.

A retroactive rent decrease will not be applied prior to the later of the first of the month following the date of the change or the effective date of the family's most recent full certification.

Rent decreases may be applied retroactively if the ability to report a change in income promptly may have been hampered due to extenuating circumstances such as natural disaster, medical or family emergency or disruptions to the property management operations.

#### **Reasons for Interim Certifications**

A family may request an interim reexamination of family income because of any changes since the last examination. The owner must conduct any interim reexamination within a reasonable time after the family request or when the owner becomes aware of any changes since last examination.

#### **Examples of changes include:**

##### ***Changes in income including, but not limited to:***

- loss of employment
- reduction in number of hours worked
- obtaining new public benefits, such as TANF

##### ***Increases in allowed deductions including, but not limited to:***

- increased medical expenses
- higher or lower child care costs

***Other changes including, but not limited to:***

- changes to the household, such as having a new member move in or someone move out
- becoming a full-time student or ending that status (for example, when someone graduates)
- becoming a person with a disability

**Decreases in the family's annual adjusted income.**

1. The owner must conduct an interim reexamination of family income when the owner becomes aware that the family's adjusted income has changed by an amount that the owner estimates will result in a decrease of ten percent or more in annual adjusted income or such other amount established by HUD through notice
2. The owner may decline to conduct an interim reexamination of family income if the owner estimates that the family's adjusted income will decrease by an amount that is less than ten percent of the family's annual adjusted income (or a lower amount established by HUD through notice).
3. When there is a decrease in family size attributed to the death or permanent move-out from the assisted unit of a family member during the period since the family's last reexamination that results in a decrease in adjusted income of any amount. If there is no change/decrease in adjusted income as a result of the decrease in family size, then a non-interim transaction is processed instead of an interim reexamination.

**Increases in the family's annual adjusted income.**

1. The owner must conduct an interim reexamination of family income when the owner becomes aware that the family's adjusted income has changed by an amount that the owner estimates will result in an increase of ten percent or more in annual adjusted income or such other amount established by HUD through notice.
2. Examples of Reasons an owner will conduct an Interim for Increases in family's adjusted income:
  - a. An increase in Unearned Income Only (Ex: Increase in Child Support or Start of a Pension)
  - b. An increase in Earned Income ONLY if there is an increase in Unearned income (Ex: You received an increase in Child Support and increase in wages)
3. Examples of Reasons an owner will Not Conduct an Interim for Increases in family's adjusted income:
  - a. The owner will not conduct an interim reexamination in the last three months of a certification period.
  - b. The owner may not consider any increase in the **earned income** of the family when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction during the certification period.

**Household Composition Changes**

1. Families are required to report any changes in household composition to O/A within 10 days of the change.
2. When there is a decrease in family size attributed to the death or permanent move-out from the assisted unit of a family member during the period since the family's last reexamination that results in a decrease in adjusted income of any amount. If there is no change/decrease in adjusted income as a result of the decrease in family size, then a non-interim transaction is processed instead of an interim reexamination.

**Determination of Family Income Using Other Means Tested Public Assistance, i.e., "Safe Harbor"**

The owner has chosen not to accept determinations of income from other federal means-tested forms of assistance. The owner will determine the family's annual income, including income from assets, prior to the application of any deductions by obtaining third-party verification of reported family annual income, the value of assets, expenses related to deductions from annual income, and other factors that affect the determination of adjusted income.

## **Maximum Asset Limitation**

Effective 1/1/2024 a dwelling unit in the public housing and/or Section 8 rental assistance program may not be rented, and assistance under the Section 8 (tenant-based and project based) programs may not be provided, either initially or upon reexamination of family income, to any family if:

- 1) The family's net assets (as defined in § 5.603) exceed \$100,000, which amount will be adjusted annually by HUD in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers; or
- 2) The family has a present ownership interest in, a legal right to reside in, and the effective legal authority to sell, based on State or local laws of the jurisdiction where the property is located, real property that is suitable for occupancy by the family as a residence, except this real property restriction does not apply to:
  - (A) Any property for which the family is receiving assistance under 24 CFR 982.620; or under the Homeownership Option in 24 CFR part 982;
  - (B) Any property that is jointly owned by a member of the family and at least one non-household member who does not live with the family, if the nonhousehold member resides at the jointly owned property;
  - (C) Any person who is a victim of domestic violence, dating violence, sexual assault, or stalking, as defined in this part 5 (subpart L); or
  - (D) Any family that is offering such property for sale.

A property will be considered "suitable for occupancy" under paragraph (a)(1)(ii) of this section unless the family demonstrates that it:

- (i) Does not meet the disability-related needs for all members of the family (e.g., physical accessibility requirements, disability-related need for additional bedrooms, proximity to accessible transportation, etc.);
- (ii) Is not sufficient for the size of the family;
- (iii) Is geographically located so as to be a hardship for the family (e.g., the distance or commuting time between the property and the family's place of work or school would be a hardship to the family, as determined by the PHA or owner);
- (iv) Is not safe to reside in because of the physical condition of the property (e.g., property's physical condition poses a risk to the family's health and safety and the condition of the property cannot be easily remedied); or
- (v) Is not a property that a family may reside in under the State or local laws of the jurisdiction where the property is located.

### **Compliance at Admission – Maximum Asset Policy**

At admission, ownership of net family assets that exceed \$100,000 (as adjusted) or ownership of disqualifying real property will require denial of assistance. In addition, the asset limitation will be enforced at initial certification for families who lost their assistance because they failed to recertify timely or began to pay market rent, remained in the unit, and then lost income, once again requiring assistance.

### **Compliance at Annual and Interim Reexamination - Total Non-Enforcement of Maximum Asset Policy**

At annual and interim reexamination, the O/A has chosen not to enforce the asset limitation. This means the O/A will not initiate termination or eviction proceedings for a family for non-compliance with the asset limitation. Families who would otherwise fail to comply with the asset limitation will be allowed to continue renting their units and continue to receive assistance. The non-enforcement policy is the same for all families within the program.